

Lt. (Jr. Gr.) John H. Morrill to be a lieutenant in the Navy from the 12th day of November 1933.

Lt. (Jr. Gr.) John E. Spahn to be a lieutenant in the Navy from the 1st day of December 1933.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of January 1934:

John B. Rooney.

William A. Evans, Jr.

Frederick J. Bell.

Lieutenant (junior grade) Charles A. Ferriter to be a lieutenant in the Navy from the 1st day of March 1934.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June 1933:

George N. Butterfield

Edwin G. Kelly

Lance E. Massey

Joseph E. Dodson

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, from the 1st day of February 1932:

Alfred J. Toulon.

Glenmore F. Clark.

John B. Pollard.

Carpenter John Bryan to be a chief carpenter in the Navy, to rank with but after ensign, from the 2d day of January 1934.

Lieutenant (junior grade) Chester E. Carroll to be a lieutenant in the Navy from the 1st day of December 1933.

Commander John S. Barleon to be a captain in the Navy from the 16th day of January 1934.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 9 (legislative day of Mar. 28), 1934

POSTMASTERS

COLORADO

Harry M. Katherman, Aurora.

John R. Hunter, New Raymer.

Walton T. Day, Byers.

Ralph E. Vincent, Otis.

John H. Duncan, Crook.

GEORGIA

Annie H. Thomas, Dawson.

SOUTH CAROLINA

Jesse C. Williams, Inman.

Inez C. Wilson, Williamston.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 9, 1934

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Eternal and ever-merciful God, we are not safe in our own wisdom, in our own virtues, nor in any power in us but in Thy guardianship and in the plenitude of Thy love and mercy. We confess Thy sovereignty and invoke Thy presence. Heavenly Father, open the doors of our understanding and give light and direction to the highest forms of our moral sense. Help us to see the luster of those graces that will bring us into fellowship with Thee. Hear us, gracious God; discharge any malign elements that may be in our thought, subdue the old nature, and bring into ascendancy the new man. O mold our characters by the invisible touches. Holy Spirit, incite us, equip us, and make us eager to go forward and to follow on to know Thy will and serve our country. In quiet submission to Thee, let there come to each of us a sweet calm, which bears in its bosom a new life, a new hope, and a new strength for this day. In the holy name of our Savior. Amen.

The Journal of the proceedings of Thursday, April 5, 1934, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta,

one of his secretaries, who also informed the House that on the following date the President approved and signed bills of the House of the following titles:

On April 7, 1934:

H.R. 7478. An act to amend the Agricultural Adjustment Act so as to include cattle and other products as basic agricultural commodities, and for other purposes; and

H.R. 7513. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1935, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 326) entitled "An act referring the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for adjudication and settlement", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ASHURST, Mr. THOMAS of Oklahoma, and Mr. FRAZIER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2999) entitled "An act to guarantee the bonds of the Home Owners' Corporation, to amend the Home Owners' Loan Act, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BULKLEY, Mr. BARKLEY, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8617. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1935, and for other purposes.

OGEECHEE RIVER FLOOD CONTROL

Mr. ELTSE of California. Mr. Speaker, I ask unanimous consent that the bill introduced by the gentleman from Georgia [Mr. PARKER], H.R. 7793, authorizing a preliminary examination of the Ogeechee River in the State of Georgia, with a view to controlling of floods, which was no. 94 on the Consent Calendar on April 5 last, and to which three objections were interposed on that day, be restored to the Consent Calendar as of date April 5, 1934, with but one objection interposed thereto, made on March 5, 1934.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. BLANTON. Mr. Speaker, this sets a new precedent in the House, and I shall be forced to object. This is the first time that has ever been requested to be done.

H.R. 6533

Mr. SWANK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill H.R. 6533, and to insert recommendations that have been made in connection therewith.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SWANK. Mr. Speaker, on January 8, 1934, I introduced H.R. 6533, a bill to promote education, relieve unemployment and economic distress, and for other purposes. I also spoke in support of the bill in the House and before the Committee on Education. Briefly, this bill provides that the public schools are a proper subject for Federal aid and that the Government should protect its public-school system and the teachers thereof by providing appropriations to assist such schools to maintain their regular school terms.

The bill also provides that all teachers' salary warrants regularly issued, between July 1, 1932, and July 1, 1934, for services actually rendered by teachers in teaching in the public schools, shall be eligible for loans by the Government at their full face value at not to exceed 1-percent interest per annum.

Since the introduction of this and similar bills the amount of Federal funds allocated to Oklahoma for public-school

work has been increased, and we are going to keep up the work for the assistance of public education.

RECOMMENDATIONS IN SUPPORT OF BILL H.R. 6533

C. M. Howell, secretary, Oklahoma Education Association: "I feel that it remedies some of the very serious conditions confronting our schools, especially would it assist with the salary schedule."

Dr. M. A. Beeson, president Central State Teachers College, Edmond, Okla.: "I appreciate very much your sending me a copy of your bill in the interest of schools and teachers' salaries. The school people appreciate your friendship."

Dr. Eugene M. Antrim, president Oklahoma City University, Oklahoma City: "I have read this over carefully and find much to commend in it; in fact, I believe it will be a lifesaver for many of our rural schools."

John Vaughn, State superintendent of public instruction, Oklahoma City: "You are certainly to be commended on this bill, and I know that the people who are interested in education will rally to your support."

Dr. A. Linchard, president East Central State Teachers College, Ada: "It appears to be meritorious. I sincerely hope that you succeed in passing this measure through the Congress, and in securing its approval by the President."

Dr. W. B. Bizzel, president University of Oklahoma, Norman: "I think the policy is sound, and certainly the necessity is very great."

J. C. Hickman, superintendent Cushing (Okla.) public schools: "We appreciate your interest in this matter and believe you will do everything you can to help the interests of the public schools."

Fred Reynolds, president board of education, and J. B. Stout, superintendent of schools, Norman, Okla.: "Your bill H.R. 6533, has our hearty approval. We are sure your provision for a loan to teachers who are holding warrants would bring much-needed relief to many deserving teachers."

W. C. LaGrone, principal, Putnam City school, Oklahoma City: "After reading the bill through, I wish to inform you that it meets my approval very highly. May I, as an instructor in the public schools, commend you in your good work."

Leon C. Nance, principal Putnam High School, Oklahoma City: "I read the contents of your bill. It may please you to know that the people of this community are nearly 100 percent for it. The teaching profession is indeed indebted to you for your efforts."

E. W. Hamburg, superintendent Putnam City schools, Oklahoma City: "We appreciate the interest you have shown in the public-school problem."

Miss Hilda Singletary, teacher, Putnam City schools, Oklahoma City: "I have read your new education bill and, as a teacher and an American citizen, I commend you and your work."

Teachers and others connected with Putnam City schools, Oklahoma City: "We, the undersigned citizens of Putnam City, wish to show our appreciation to you, our Congressman, for your interest and work in behalf of our public schools."

W. A. Greene, superintendent public schools, Guthrie, Okla.: "It seems to me that it is certainly a step in the right direction."

Jay F. Smith, county superintendent of public instruction, Walters, Okla.: "I commend you for your efforts in fostering what I think is a splendid piece of legislation."

Glenn Smith, county superintendent of schools, Shawnee, Okla.: "I am gratified at your interest in education. Your experience as a teacher and as a schoolman has no doubt given you an insight and an interest in education which not all men have."

Herbert D. Flowers, county superintendent of public instruction, Idabel, Okla.: "You are to be commended for your interest in education. I think you have struck a note which will bring music to the ears of thousands of teachers and many school people."

Mrs. Neva Wilson, county superintendent of schools, Cherokee, Okla.: "I was very much pleased to read the bill (H.R. 6533) on education."

Miss Alice Stringer, county superintendent of public instruction, Sayre, Okla.: "I heartily endorse the bill which you introduced on January 8."

Floyd L. Coates, county superintendent of public instruction, Newkirk, Okla.: "I am sure that this bill will be of help, especially where the district is not able to provide necessary funds for a full term."

W. H. Taylor, principal junior-senior high school, Britton, Okla.: "I wish to assure you that the teachers of our school deeply appreciate the interest in public education you have shown, and we wish you to feel that we are ready to support you in these undertakings."

Russel C. Browe, Capitol Hill Junior High School, Oklahoma City: "I have read this bill rather carefully and wish to say that I am in hearty accord with its contents."

R. L. Spradlin, Jr., principal, Elmore City, Okla., schools: "Have carefully studied your bill, H.R. 6533, and hereby state that we think it to be the best thing for the educational departments all over the country."

F. A. Ramsey, superintendent public schools, Pauls Valley, Okla.: "Federal assistance at this time meets the hearty approval of our teachers."

W. H. Hunnicutt, superintendent, and teachers city schools, Elmore City, Okla.: "We have this day passed resolutions approving your plan of using this fund for the purpose of aiding the public schools by paying teachers' salaries. We furthermore resolve to express our thanks to you for your efforts you are making to aid the public schools of our State."

School board, Davis, Okla.: "We heartily approve of your plan." Max G. Starry, superintendent public schools, Blanchard, Okla.: "Your efforts along the line of such a measure as you have introduced should be appreciated by those interested in public-school education in Oklahoma."

C. K. Reiff, superintendent public schools, Oklahoma City: "After rereading this bill for the third time, I have but this comment to make: In general, I am sure that I, with the other school men of this Nation, will favor the bill."

Mrs. Ida M. Hale, county superintendent of public instruction, Oklahoma City: "I think we are getting to the point where that will be needed; and I am sure that if it is accomplished, a great deal of credit will be due you."

Raymond Gary, county superintendent of public instruction, Madill, Okla.: "I certainly appreciate your interest in the public schools of our Nation, and I am hoping that there will be enough school-minded Congressmen and Senators to pass your bill."

Lee Boecher, county superintendent of schools, Kingfisher, Okla.: "I wish to commend you for your stand on this important subject."

Howard N. Scott, county superintendent of public instruction, Miami, Okla.: "I should like to state without further detail that I am fully in accord with the provisions of such bill."

J. O. Rich, county superintendent of public instruction, Wilburton, Okla.: "I fully endorse the proposed H.R. 6533, introduced by you in the House of Representatives."

George D. Hann, superintendent city schools, Clinton, Okla.: "Please accept my sincere thanks for the interest which you have in education and the efforts which you are making to correct some of the immediate evils."

John W. Cushman, principal Cleveland School, Oklahoma City: "It seems to me a very hopeful sign that education is being given such thoughtful consideration."

Miss Tommie Floyd, principal Clayton School, Ripley, Okla.: "Personally, I think bill H.R. 6533 should pass by a unanimous vote."

S. H. Freeman, clerk board of education, Stratford, Okla.: "I am highly in favor of its passage."

Mrs. M. A. Jones, clerk district 65, Garvin County, Okla.: "This bill seems to meet the requirement as well as it is possible to foresee conditions. Please add my commendation to the many others I know you will receive."

Joyce P. Johnson, clerk district 88, Oklahoma County, Okla.: "I read your bill to the school board here. We are all for it and are behind you. Our teachers need help."

E. D. Price, superintendent, and teachers, city schools, Stillwater, Okla.: "We, the undersigned teachers, of Stillwater, Okla., which include all teachers of the school, hereby express our appreciation for your attempts to save the schools of the Nation."

Teachers of Ripley, Okla., Consolidated Schools: "We, the teachers of Ripley Consolidated Schools, are heartily in favor of your bill."

Miss Bethel Plunkett, teacher, Ripley, Okla.: "I think it a good idea to try to get relief to the public schools of our land."

Miss Sarah E. Palmer, teacher, route 8, box 201, Oklahoma City: "I heartily approve the contents of this bill and hope you are successful in getting it passed."

Mrs. Ruby Berry Stallings, Ripley, Okla.: "The Ripley Parent-Teacher Association will be very happy to learn that you are working on a plan for a general appropriation for our school funds."

Putnam City Parent-Teacher Association, Oklahoma City: "We wish to extend our hearty endorsement of your educational bill. It is through efforts of such men as you that will cause, eventually, the teaching profession to be put on the high standard that it so much deserves. We wish to send to you our appreciation of your efforts. May you be ever successful."

Mrs. A. A. Arnold, president Jefferson Parent-Teacher Association, Stillwater, Okla.: "I had the bill read to our Parent-Teacher Association, and it was discussed afterward. The organization moved and passed the resolution commending you for the efforts in behalf of the schools of the United States and promised its whole-hearted support."

Mrs. Ellis D. Claude, president Parent-Teacher Council, Cushing, Okla.: "At our regular meeting of Parent-Teacher Council last week Mr. John Hickman made motion that we go on record favoring your educational bill. The motion was unanimously adopted."

Mrs. John Keefer, president Lynch Parent-Teachers Association, Yukon, Okla.: "Our P.T.A. heartily endorses such a bill."

Mrs. O. W. Smith, secretary North School Parent-Teachers Association Unit, Purcell, Okla.: "At a recent meeting of our North School P.T.A. the patrons were unanimous in their approval of the bill H.R. 6533, in aid of public schools."

Altha Graves, president Busy Workers Club, Foster, Okla.: "We beg to say that the women of Foster and surrounding country are 100 percent for your bill, and we will do everything to help put it over."

Mrs. Charles T. Forrester, Stratford, Okla.: "I read with deep interest and enthusiasm the copy of H.R. 6533, bill as introduced by you in the House, and I want to congratulate you on this bill and to add my whole-hearted endorsement."

J. L. Parker, Wynnewood, Okla.: "Concerning your H.R. 6533 bill, am glad to say that I am 100 percent for it."

Mrs. Buena Searcy, Ripley, Okla.: "I am very much in favor of the bill and hope you can get it through at this session of Congress."

Frankie M. Beall, Guthrie, Okla.: "I am very much in favor of the bill and want to register my hearty approval of the same."

Lida Lohr, Guthrie, Okla.: "Allow me to express my appreciation for your efforts to maintain our former standards of education as provided in your H.R. 6533."

J. A. Cole, Foster, Okla.: "I think it is O.K. and am delighted to know that someone in the national lawmaking body is interested in the lowly pedagogue."

Mrs. Adelle Speer, Guthrie, Okla.: "I hope our Representatives and Senators will get behind this bill."

Wayne Thomas, Perkins, Okla.: "I feel that the bill as proposed by you will be a great benefit to both the teachers and schools."

Mrs. S. A. Rogers, president high school, P.T.A., Sulphur, Okla.: "Have read your bill and think it fills a great need."

Miss Martha Daves, Oklahoma City: "I feel very grateful to you as our Representative for taking the initiative in our so much needed educational relief."

Mrs. Mabel Collins, Stillwater, Okla.: "I am for the bill as a present relief of the distress."

O. W. Morgan, Blanchard, Oklahoma City marshal: "I talked to a number of our citizens who are leaders in educational interests in this city. All were favorably impressed with your plan and are hopeful you may be able to effect such a plan."

Mrs. Dovie Hyden, teacher Putnam City School, Oklahoma City: "You struck one of the keynotes to the hearts of not only the teachers but the people of every class and profession when you introduced that bill in Congress to secure Federal aid for schools."

Mrs. J. C. Tharp, Yale, Okla.: "We have read the copy of the bill H.R. 6533, and believe it is the right bill at the right time, and wish you success."

Miss Gertrude Finley, Davis, Okla.: "I wish to say I am heartily in favor of same."

Miss Fern Rosengren, route 2, Norman, Okla.: "I appreciate what you are trying to do for the schools and the teachers and hope your bill passes."

Mrs. Glenn McCleery, Coyle, Okla.: "I consider the bill which you have introduced one most worthy of consideration of the people of this country today."

Mrs. Elizabeth M. Taylor, Cushing, Okla.: "I congratulate you upon your fine work and earnest service to the people."

H. W. Gasaway, Coyle, Okla.: "We surely hope you get this through. We talked to some of the P.T.A. and they are highly in favor of this bill."

Miss Pearl Bradfield, Wynnewood, Okla.: "I am indeed glad to know you are working on such a plan, for surely our schools need some one to work in their interests."

Mrs. A. W. Johnson, Glencoe, Okla.: "I surely appreciate the fact that you are interested in the promotion of our public-school system and that you are working out a plan for further aid."

THE WAY OF TRUTH, THE WAY OF INDEPENDENCE

Mr. GUEVARA. Mr. Speaker, I ask unanimous consent to insert in the RECORD a statement issued by my colleague the Resident Commissioner from the Philippine Islands, Mr. OSIAS.

The SPEAKER. Is there objection to the request of the gentleman from the Philippine Islands?

There was no objection.

Mr. GUEVARA. Mr. Speaker, under permission granted to me to extend my remarks in the RECORD, I include the statement issued by my colleague, the Resident Commissioner from the Philippines [Mr. OSIAS] upon his arrival in Manila on March 5 of this year.

To the Filipino people to whom I owe my first loyalty and have pledged my best service, I, as your public servant, hereby express my greetings at once respectful and cordial.

As the supreme arbiters in a matter affecting our national fate and liberty, the sovereign people are entitled to know the truth regarding the status of our struggle for independence at the Washington sector. It is my purpose to present the facts and the truth.

The American Government and people are informed of our passionate desire and substantial unity as a people on the fundamental issue that the early grant of independence to the Philippines is the proper solution of American-Filipino relations. They are likewise informed that on the Hare-Hawes-Cutting law there are two camps of thought in our country: one, composed of those who decided to decline to accept the law and work for amendments to the congressional enactment or for a new independence legislation; the other, consisting of those who favor the acceptance of the independence act without thereby relinquishing the people's right subsequently to petition for desirable modification or improvement.

It is my duty to report to the people that in Washington the temper of Congress and of the administration is not favorable to new independence legislation at this present session of Congress, but it is favorable to the extension of time by 9 months or a revival of the Hare-Hawes-Cutting law.

Let the following facts suffice for the present to prove this statement.

On January 23, 1934, the Senate Committee on Territories and Insular Affairs met and after discussion and deliberation an-

nounced their decision plainly and unequivocally in the following terms:

"1. That there will be no new Philippine legislation in reference to ultimate independence at this session of Congress. However, it was the sense of the committee that the Hawes-Cutting bill would be amended in one particular only, and that is to extend the time of the bill, which was January 17, 1934, when the Philippine Legislature must move to carry out its provisions to October 17, 1934, and that no other changes in the Hawes-Cutting bill will be considered.

"2. Under the Hawes-Cutting bill passed last year the Philippine Legislature was required if it desired independence to take action prior to January 17, 1934. This the legislature refused to do one way or the other, and consequently the Philippine people have had no opportunity to accept or reject the Hawes-Cutting bill.

"3. As the elections to the Philippine Legislature are to be held this coming June, and as the last legislature did not act on the Hawes-Cutting bill at all, it was the sense of the committee that an extension of time to give the new legislature a chance on it was fair and the only action the committee would take to alter or consider alterations to the general subject matter.

"4. Therefore, it is the committee's desire to give the Filipinos one more chance to accept or reject the Hawes-Cutting bill; if after the new elections the legislature again fails to take action or acts adversely upon the provisions of the Hawes-Cutting bill, it will be notice to Congress that the people of the Philippines do not desire independence and desire to continue with their present status.

"5. It is the overwhelming opinion of Congress that the Hawes-Cutting bill is the fairest bill to both nations which can be passed; and if the Filipino people do not want it, no better bill can be written and passed.

"6. It should be recalled that President Roosevelt in his last campaign, on two occasions, stated he favored the Hawes-Cutting bill and that this statement of the President makes the above observations complete as far as the two branches of Congress dealing with it have to do."

Senator TYDINGS said the committee's action was final, and that it placed determination of their destiny squarely before the Philippine people.

"Congress retains an open mind about modification of the Hawes-Cutting bill at some future period."

He declared:

"However, we must first know if the Filipinos want independence. Perhaps in a few years it will be found some of the provisions of the bill are unfair either to the Philippines or to the United States; in that case Congress would have no objection to consider the objections, with a possibility of modifying the measure if it be deemed advisable."

Mr. TYDINGS, in announcing the committee's action, said it emphatically represented his personal views as well.

This committee decision bears repeating because certain comments previously made on it were obviously based upon a lack of full knowledge of the entire statement and the really friendly sentiment that prompted its issuance.

I say the decision was reached out of friendliness to the Philippine people both from my personal knowledge of and contact with members of the committee and from the nature of the decision itself. The people will please note that in this decision the Senate committee seeks to give the Filipino people another opportunity to decide for themselves their independence and destiny and the assurance once the law is accepted that Congress would be open-minded for the consideration of such objections as may appear reasonable and just.

It is well to bear in mind that in the Senate Committee on Territories and Insular Affairs under the chairmanship of Senator MILLARD E. TYDINGS, of Maryland, there are Senators well known to Filipinos, including the minority leader, Senator CHARLES L. McNARY, of Oregon, the Senate President pro tempore, Senator KEY PATMAN, of Nevada, and the majority leader, Senator JOSEPH T. ROBINSON, of Arkansas. Senators like those in the committee now and in the future have to be reckoned with in all important Philippine legislation.

So much for the Senate attitude. In the House of Representatives I can testify that the sentiment is favorable to the extension of the time limit and unfavorable to the consideration of new independence legislation. Representative McDUFFIE, Chairman of the House Committee on Insular Affairs, favors time extension of the law deeming it perfectly reasonable for the Filipino people to have a referendum on the law.

Another extremely weighty consideration is that the executive branch of the American Government itself is not favorable to new legislation, but sympathetically disposed to reviving the Hare-Hawes-Cutting Law. Of course, I cannot and will not quote what the President of the United States told me at our conference, but it is perfectly proper for me to quote a public statement of Secretary of War DERN following the conference which was held at the White House on February 1, 1934, among President Roosevelt, Secretary DERN, and myself. Secretary DERN said, "I don't think the President is disposed to press any new legislation", adding that "the President would be willing to have the Hawes-Cutting Law revived."

Other evidences as to the temper of Congress and in Washington with respect to new Philippine independence legislation could be adduced, but just one more, the following self-explanatory letter of Speaker RAINES, should be all that is necessary.

THE SPEAKER'S ROOMS,
HOUSE OF REPRESENTATIVES UNITED STATES,
Washington, D. C. February 5, 1934.

HON. CAMILO OSIAS,
Washington, D.C.

MY DEAR COMMISSIONER: I am sorry you are leaving, but I wish you every success.

Personally I was in favor of a shorter period, but as a practical proposition tell your people they better take the Hare-Hawes-Cutting law or they will not get another one. There will be no new independence legislation at this session of Congress.

After you have accepted the law passed by Congress you can come with a delegation for amendments and be assured of sympathetic consideration.

Very truly yours,

HENRY T. RAINEY.

The foregoing evidence should be more than sufficient not only to show the present temper of the Congress and the administration but to convince the Filipino people of the critical seriousness of our struggle for independence at Washington. That the revival of the Hare-Hawes-Cutting law or the extension of time is the way out of the present dilemma ought to be perfectly clear to all.

I present the truth and the facts in obedience to my consciousness of duty and my sense of responsibility. It must be the desire of every one that we as a people shall not in this crucial hour be led to take a step that shall alienate valued support in the Government at Washington and antagonize proven friends of independence in America who at present do and, for several years to come, will exercise not only a great influence but a determining influence on Philippine independence legislation.

It was in the face of the situation herein depicted that, with full knowledge of the consequences, I advocated extending the time limit by 9 months in the Congress of the United States. This I did on January 15, January 23, and again on January 31, 1934. I assume full responsibility for what I have said and done. I appear before the people to submit an account of my stewardship.

My solemn appeal to the Filipino people in the crucial day of decision is: Face the truth serenely and, with knowledge of the facts, act wisely and with decision.

I have faith in the people. I believe independence will yet be ours. But let us never forget: The way of deception is the way to slavery. The way of truth is the way to liberty.

REMOVAL OF FLEET FROM PACIFIC TO ATLANTIC WATERS

MR. DOCKWEILER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to discuss the removal of the fleet from the Pacific waters to the Atlantic waters at this time and its portent upon the history of this country.

THE SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MR. DOCKWEILER. Mr. Speaker, April 9 in the year of grace 1934 marks a date that may have great significance to the naturally peace-loving people of America. On this date both the combined Battle and Scouting Forces of our Navy will weigh anchor from the ports of San Diego, Los Angeles, the Golden Gate, Bremerton, Wash., and wherever any portion of that fleet is now located in the Pacific, and, joining together in one great fleet, will sail southward to the Panama Canal, through it, and into the Atlantic to spend, so we are told, the spring, summer, and early fall months on the Atlantic coast. If this were the end of the story, I might not protest what on the surface of things appears to be not only a pleasant but no doubt an instructive maneuver of our great fleet and its personnel. But there lurks in my mind, not the fear of immediate warfare, but a more than possible chance that, if not all, at least a great portion of this fleet might remain in the Atlantic waters, say, for the sake of argument, that segment of the fleet known as the "Scouting Force", or perhaps the Battle Force, in which event I have great misgivings for the present cordial relations of our country with Japan.

On January 23 of this year, during the consideration of the naval appropriation bill, I spoke briefly in protest of the removal at that time of our fleet from the Pacific waters.

Frequently there appear in the press statements emanating from Japan and her spokesmen that the peaceful Japanese resent the presence of our entire fleet in Pacific waters and that this situation is a source of great irritation to them. Of course, we should know at the outset that whatever sentiment has been built up in this regard is inspired by those in complete power and control in the Japanese body politic, because, as in most foreign countries, the press of

Japan is carefully censored and supervised by its Government. Among the many compelling reasons why we should not undertake to remove our fleet at this time is the untoward state of international affairs confronting the diplomatic world. I pause for a moment to recount some of these recent events: Witness the invasion of Manchuria by Japanese forces; and even before the setting up of the puppet state of Manchukuo on February 24, 1933, the League of Nations Assembly adopted the report of the Committee of Nineteen, commonly known as the "Lytton report", which, of course, condemned the Japanese conflict in Manchuria, and thereupon the Japanese Imperial Government formally withdrew its membership from the League of Nations. If the nations of the world, particularly members of the League of Nations, are consistent in their attitude to the Sino-Japanese War and are guided by the Lytton report, we cannot hope for international friendly relationships with this new puppet state, and only after some face-saving formula will it be begrudgingly accepted in the family of nations.

It appears to me that the diplomatic tangle created by the Japanese invasion of Manchuria presents one of the world's most difficult international problems to solve. We must note besides that Japan gave notice of retirement from membership in the League of Nations, but at the same time retained those islands in the Pacific waters over which she was given a mandate by the League of Nations, and as the result of the treaty which parceled out to the various allied powers the German possessions in China and the Pacific Ocean.

It seems to me that while other countries possess some tangible international policy, the United States does not seem to have any such definite policy, with the exception of the Monroe Doctrine. Our policy is one of destiny, and we attempt to cope with international situations from time to time as they appear on the scene of action. It seems as though America, through the years since Admiral Perry first invited the Japanese to participate in friendly interchanges, and in exchanges of commerce as a member of the family of nations, has persistently done those things which by the Japanese mind are regarded as adverse to Japan's interests. The Japanese have not forgotten that President Theodore Roosevelt intervened during the Japanese-Russian War, resulting at Portsmouth in a treaty which they feel deprived them of some of the fruits which should have accrued to them as the result of their victory over Russia.

Again, at the time the Hawaiian group was annexed to the United States, the Japanese Government protested this move, and again we appeared to stand in opposition to their interests. When along the Pacific slopes of our country the States of the Pacific coast variously passed exclusion acts preventing the immigration of Japanese and forbidding such immigrants to possess the lands of those States, the Japanese were again offended by us. Even in recent years the Japanese have, through their diplomatic agencies, requested the State Department to lift the ban on Japanese immigrants to at least a quota basis. The circumstances surrounding these events and our course of conduct were clear and above reproach or condemnation, and underneath our actions in these matters that I refer to was the compelling motive of permanent peace.

It is very strange that the Washington Treaty, the Treaty of London, the so-called "10-power pact", the Kellogg-Briand agreement, all designed for fashioning a peaceful way of the Nation, should, so far as our policy in the Pacific waters is concerned, have proved quite otherwise. All these things seem to me to place us in opposition to Japanese political and economic thought. It will be more than difficult for us to understand the reasons for the Japanese invasion of Manchuria, now Manchukuo, bringing under Japanese control a country as vast and perhaps as rich as the 48 States in these United States. We will never understand the Japanese landing their forces at the port of Shanghai and by dint of superior armies massacring tens of thousands of Chinese people, partly because China boycotted Japanese products.

At the time of my protest in the House of the removal of our fleet from Pacific waters, the House and Senate had not as yet passed the Philippine independence bill, which has now become a law, and so in the course of years we shall relinquish the Philippine Islands, as well as our naval and Army bases there, and return to the Philippine people their entire independence. Of course, there is no certainty of such independence, because these people, to my way of thinking, will fall naturally under the spell of influence of a great power and more particularly for commercial reasons. We have already begun in Congress to discriminate against the Philippine Islands in the matter of tariff quotas and excise taxes against their particular products, which naturally must be offensive to a people that we have nurtured so long; and as a consequence we must expect them to seek their markets in other quarters of the hemisphere, and the natural market for their products must be Japan.

What I have said so far must demonstrate beyond a reasonable doubt that inherently it will be difficult for Japan from her point of view to ever look complacently upon any move, no matter how well intended, the United States might make in the Pacific Ocean. The presence of our entire fleet has irked her. Our recognition of Russia has given her people some disquietude. Our recent passage of the Vinson Navy program bill has disappointed her. Our continual refusal to lift the immigration laws in her respect has chagrined her Government. We are certainly living in very ticklish times, and yet who would agree that we are not perfectly within our rights on the score of all these points that seem to be irritable to Japan? We certainly should be permitted to build our fleet up to treaty strength, as she has. We certainly have a right to see who should enter our confines as immigrants, as she has. We certainly have a right to permit any part of or all our fleet to ride upon the waves on the Pacific coast, as she has.

But unfortunately, destiny seems determined that all these things work against the friendly diplomatic relationship of Japan with us. How much better it would have been to have permitted our fleet to remain in status quo on the Pacific coast, as many of these other problems I have mentioned will remain in status quo, say until after the London Naval Conference, scheduled for December 1936, in which conference it will be expected that Japan will make additional demands of parity in tonnage, because, of course, she has now additional territory in Manchuria that must be defended and its integrity must be maintained, and then a fresh and new friendly understanding may be hoped for.

Approaching the nub of the situation, once our fleet is in Atlantic waters, the Japanese diplomat would be unmindful of his duty if he did not make overtures to our State Department, requesting that the entire fleet should not be returned to the Pacific waters; and, if not the entire fleet, that it should be divided, and perhaps the scouting force should remain in Atlantic waters, returning only the battle force to the Pacific coast, or vice versa.

Let us continue to lead the way to international peace and harmony; and I am certain that the best agent for this international peace and harmony is the maintenance of a treaty strength navy, and that such a navy should be located at the sensitive points on this globe, where all writers agree that destiny is directing toward a possible conflict, which God forbid; for if an adequate navy is the medicine for sustained peace, the doctor would advise to spread the salve at the sore place. [Applause.]

Mr. BLANTON. Mr. Speaker, I make the point of order that there is not a quorum present.

Mr. BYRNS. Will the gentleman withhold that until I make a request?

Mr. BLANTON. I will withhold the point of order.

PRIVATE CALENDAR

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that at the close of the session on Wednesday it may be in order for the House to take a recess until 7:30 p.m. for the purpose of considering bills on the Private Calendar unobjected to, beginning, of course, at the star.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. BYRNS]?

Mr. TRUAX. Reserving the right to object, the last night session we had to consider the Private Calendar, there were some twenty-odd Members on the floor when we started. There are some of us who should like to attend the night session and we cannot be present on Wednesday night. I ask our distinguished leader, the gentleman from Tennessee, that he make his request for either Tuesday or Thursday night.

Mr. BYRNS. There is objection to Tuesday night because there are a number of Members who, I understand, will probably not be here until Wednesday. Those with whom I have talked seemed to think that Wednesday night would probably be most suitable. I was hoping possibly, that, if we proceeded with some dispatch on Wednesday night, we could meet on Thursday night also. I think we ought to get rid of that Private Calendar.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BLANTON. I do not see why we should not meet on both Wednesday and Thursday nights. I hope the gentleman will modify his request to ask that we first take up bills on the calendar unobjected to, which there is a chance to pass finally.

Mr. COCHRAN of Missouri. How are we going to segregate them?

Mr. BLANTON. Bridge bills, for instance, and bills to refer matters to the Court of Claims.

Mr. BYRNS. The gentleman from Texas understood my request applied to the Private Calendar and not to the Consent Calendar?

Mr. BLANTON. I thought with two night sessions we could take them both up.

Mr. BYRNS. I trust the gentleman from Ohio [Mr. TRUAX] will permit this request to be granted, because I agree with the gentleman from Texas that if the House is willing we ought to have a session on Thursday night also, because we are drawing near the close of this session.

Mr. BLANTON. There are a number of jurisdictional bills on the calendar, which seek to send matters to the Court of Claims for hearing and adjudication.

There has never been much objection to that procedure, giving parties a chance to be heard in court. Unless a bill contained some outrageous proposal, I have never objected to a bill permitting people to go to the Court of Claims. Why could we not take up those bills first and dispose of them?

Mr. BYRNS. I am perfectly willing to do that, but there are gentlemen who have bills on this Private Calendar who do not like to have their bills dislodged.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman tell us whether he has a full program for each day of this week?

Mr. BYRNS. Yes; it is expected that today will probably be consumed by the District Committee; that on tomorrow we will take up the rule making in order the bill relative to the use of public lands in the West for grazing purposes. Then it is expected that the District of Columbia appropriation bill will be reported tomorrow; and the hope is to take that bill up as soon as this other bill is disposed of. That will probably consume most of the week, depending entirely, of course, upon the amount of general debate there may be.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. TRUAX. Mr. Speaker, I withdraw my reservation of objection.

There was no objection.

HEIRS OF DECEASED INDIANS

The SPEAKER laid before the House the following request from the Senate:

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 1135) to amend section 1 of the act entitled 'An act to provide for determining the

heirs of deceased Indians, for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes', approved June 25, 1910, as amended."

The SPEAKER. Without objection, the request will be granted.

There was no objection.

Mr. BLANTON. Mr. Speaker, there was one bill on the District Calendar today about which there was a good deal of controversy. An agreement has been reached about this bill and the time it is to come up; so I withdraw the point of no quorum.

Mr. GOSS. Mr. Speaker, reserving the right to object, what was the bill; will the gentleman tell the House?

Mr. BLANTON. The matter has been disposed of by amicable agreement with the committee.

Mr. MARTIN of Massachusetts. The matter has not been disposed of; nobody has made a request yet.

Mr. BLANTON. Mr. Speaker, everything in which I was interested has been disposed of by an understanding with the committee.

The SPEAKER. Under the special order of the House, the gentleman from Missouri [Mr. Wood] is recognized for 30 minutes.

NATIONAL RECOVERY ACT

Mr. WOOD of Missouri. Mr. Speaker, as we are now nearing the first anniversary of the National Recovery Act, I think it is well for us to take stock of the happenings and the attitude of various groups and organizations with respect to cooperating with the President and the administration in the attempt to carry out successfully the purpose and intent of the National Recovery Act and of the recovery program in general.

It is well remembered by the Members of this House that when the National Recovery Act was before this Congress the Manufacturers' Association, who represent the 1 percent of the population which owns 60 percent of the wealth of this Nation, exerted their every influence to defeat that legislation. So concerned were they about the defeat of the National Recovery Act that they called a convention, or a conference, which was held in Washington a few weeks prior to the time the bill came back from the Senate after it had passed the House.

There has never been a measure presented to this House that received more combined opposition from the organized employers than the National Recovery Act, but when the act was finally adopted and made effective these groups were the first to take advantage of sections 3, 4, 5, and 6, having to do with codes of fair competition and the protection of the trade associations. Section 3 (c) directs and empowers the United States Attorney General to proceed against any group or any individual member of an industry which seeks to violate the codes of fair competition as set up by the National Recovery Act, to prevent them through restraint from violating the provisions of sections 3, 4, 5, and 6.

Section 7 (a) of title I of the act has to do with the right of men and women to join organizations of their own choosing. This provision was embodied in the act to insure that the workers of this Nation would be protected in their right to join organizations of their own choosing.

Since the operation of the law—and I am sure since its very inception—there has been a deep-laid plot to forestall the success of the National Recovery Act, especially with respect to section 7 (a) of title I, by these organized employers, who have protection under the law in sections 3, 4, 5, and 6, which relax the Sherman antitrust law and make it possible for them to enter into agreements and codes of fair competition. They have, indeed, been protected from ruinous competition, from the sweatshop competition with which they were beset for the past 4 or 5 years.

When it comes to the protection of the wage earner in the way of an organization of their own choosing, the law has not been enforced as it should have been. There has been some insidious propaganda widely circulated in past months by certain vested interests which not only seek to

prevent the successful operation of the National Recovery Act but seek also to leave a vicious impression with the general public as to the make-up of the great labor movement of this Nation. The steel barons and automotive barons have come to this Capitol by the hundreds. They and their sharp, keen, astute corporation lawyers are seeking to brand the labor movement as disloyal, as a group of radical, un-American citizens, and as a group of Reds. In a hearing the other day before the Senate Labor Committee, when that committee had up for consideration the Wagner-Connery bill, there appeared representatives of the United States Steel Corporation and their subsidiary, the Weirton Steel Co. Along with them came one of their pets, one of these upstanding free-born American citizens, who said he represented the company union of the Weirton Steel Co. In his testimony before the Labor Committee, he sought to leave the impression that all representatives sent by the National Labor Board to adjudicate the difficulty or attempt to adjudicate it were Reds and radicals. The metropolitan press were quick to headline this in the following manner: "Labor Board radicalism charged." I do not think anyone will ever charge the Code Authority of the National Recovery Act or the Labor Board with radicalism.

In an issue of the Washington Herald of April 7 there is carried a reprint from the Saturday Evening Post which attacks not only the National Recovery Act but almost every act of the present administration and of the President himself in the attempt that has been made toward national recovery. They are pleading and crying for free press. They are complaining that the press is being hampered.

These same journals and periodicals, as we all know, have been the recipients of from sixty to eighty million dollars annually from the Postal Department in the form of subsidies. Yes; I say they are in favor of free speech as long as the Government gives their periodicals free transportation upon the railroads. In other words, this Government has carried the newspapers and periodicals of this Nation for sixty to eighty million dollars less annually than the cost of transportation.

Recent statements made by Members on the floor of this House would naturally lead some to believe, if the people were to believe what the gentlemen have said, that labor is unappreciative, that it is unpatriotic, and that it has no concern for anyone else but itself. We would be led to believe by the assertions of some gentlemen that labor is a selfish group, concerned with no one except itself. A great deal has been said upon the floor of this House about communism. A great many Members of the House are very much exercised about communism. It was charged the other day by a "Moses" of Gary, Ind., Dr. Wirt, that there were radicals in the so-called "brain trust", the men who are the advisers of President Roosevelt. Dr. Wirt would lead us to believe that they are fomenting the red fires of revolution, that it was their design to turn this Government over to a soviet system of government.

Mr. RICH. Will the gentleman yield?

Mr. WOOD of Missouri. Just for a moment.

Mr. RICH. We are having an investigation of that matter tomorrow. Probably it might throw a little light on the subject to which the gentleman is referring.

Mr. WOOD of Missouri. This Congress has appointed a committee, and I voted for the appointment of the committee, to investigate these charges. I, as one Member of the Congress, want to run down all such irresponsible statements that might be made by anyone, and I hope that the committee will sift this thing to its very depths. I believe that when they do, they will find that such utterances as have been made by Dr. Wirt are fostered by the 1 percent of the population of this Nation who own 60 percent of the wealth. [Applause.] They want to lead the people to believe that this present administration is honeycombed with radicalism. They are the first ones to accept any benefits that may flow from the deliberations of this Congress, and they have always been the first to oppose any type of substantial legislation which had for its purpose the benefit and protection of the great mass of the people. They are now

opposing the Wagner-Connery amendment to the National Recovery Act. They are opposing the stock-exchange bill, the so-called "Fletcher-Rayburn bill." They have their bloodhounds in the Senate opposing any raise in income taxes, excess-profits taxes, or inheritance taxes.

There are two ways that the people of this Nation must be fed. One way is through the pay envelop, and the other is through taxation. I have a prepared speech which I do not think I will have time to make. I want to hurry on just as rapidly as I can, because of the fact that some assertions on the floor of the House, not many, have been misleading, and it would seem as though some would lay the failure in wage settlements or the adjustment of the codes with references to wages, hours, and working conditions at the door, absolutely, of the organized labor movement.

Mr. Speaker, the gentleman from Texas [Mr. BLANTON] made certain unfounded charges against the American Federation of Labor on the floor of this House, March 20. I was not present at the time; but in a perusal of his remarks in the CONGRESSIONAL RECORD, I find that he accused the American Federation of Labor of a deliberate attempt to involve the Nation in a strike by criminally attempting to persuade and influence 250,000 auto workers to leave their jobs and stir up strife and animosity, and branded the American Federation of Labor as a selfish group which seeks to ignore and disregard the Nation's welfare.

For the past 15 years the gentleman from Texas has made similar unfounded assertions in the onslaughts he has made upon the American Federation of Labor from time to time upon the floor of this House whenever he felt so inspired or ordained. His unwarranted attacks have had little, if any, effect upon the regular, normal progress of the labor movement.

The great threatened strike which the gentleman from Texas was so exercised about is now a matter of history, as the settlement has been made, and this settlement was largely due to the fine spirit of cooperation and patriotism of the American Federation of Labor and the intelligent, calm, and deliberate judgment of Mr. William Green, president of the American Federation of Labor, and the committee of 15 loyal American citizens who represented the auto workers' union, which made that settlement possible.

Mr. BLANTON. Will the gentleman yield, since he has mentioned me by name?

Mr. WOOD of Missouri. Yes; I yield for a moment.

Mr. BLANTON. The gentleman spoke of the gentleman from Texas having been here 15 years. He is here by the grace of the votes of workers. If I did not get a large percent of the vote of the workers in my district, I could not be here; and if the American Federation of Labor had pulled off this strike just now, does not the gentleman think they would have been guilty of disloyalty to the country?

Mr. WOOD of Missouri. If the gentleman can lead the people in his district to think it is best to send him to Congress, that is all right.

Mr. BLANTON. Well, they are pretty intelligent people. The district is full of colleges and universities.

Mr. WOOD of Missouri. In view of the unprecedented crisis through which our Nation is passing, it is well to pause for a few moments and partially analyze just what part the American Federation of Labor has taken, since its inception, in every crisis through which our Nation has passed. Of course, time will not permit a thorough analysis of all of its patriotic acts in the various stages of stress through which our Nation has passed. I desire, however, to touch a few high points in passing.

No better test can be shown which revealed the patriotism of the membership of the American labor movement and their undying devotion to the cause of American institutions than when our country entered the great world conflagration in 1917. The great labor movement of this Nation responded to a man. Woodrow Wilson, then President of the United States, called into conference for council and advice Samuel Gompers, then president of the American Federation of Labor, and William Green, who was then

secretary of the United Mine Workers of America, and other leaders of the labor movement.

So well did the leaders of the American labor movement and its members perform their duty as patriotic citizens that when the war closed President Wilson appeared in person before the convention of the American Federation of Labor and expressed his personal and the Nation's gratitude to the delegates for their splendid and patriotic cooperation and devotion to the cause of the Nation.

In 1915, when the American Federation of Labor Building, which stands upon Ninth Street and Massachusetts Avenue N.W., was dedicated, President Woodrow Wilson personally participated in the dedication ceremonies of this magnificent structure.

There stands a monument in Triangular Park, Massachusetts Avenue and Tenth Street N.W., in the very shadows of the dome of this Capitol Building, which was erected to the memory of that great statesman, Samuel Gompers, founder of the American Federation of Labor, and who as its president guided the destinies of that organization for nearly a half century. In the unveiling ceremonies of this memorial monument, which occurred on October 7, 1933, the President of the United States, the Honorable Franklin D. Roosevelt, appeared in person and delivered a glowing tribute to the lifetime of patriotic service to the cause of humanity, to the statesmanship and patriotism of the immortal Samuel Gompers.

I challenge any Member of this House to visit the beautiful memorial on Massachusetts Avenue and Tenth Street N.W., erected by the friends and citizens of this Nation to the memory of Samuel Gompers, and after reading the inscriptions thereon—words spoken by this great leader and statesman—return to the floor of this House and say that the American Federation of Labor desires to drive this Nation with a mailed fist. Those words of Gompers were selected from his many utterances of wisdom as exemplifying the spirit of the great American labor movement.

This is the man whose patriotism and motives have on so many occasions been questioned by the gentleman from Texas [Mr. BLANTON].

The gentleman from Texas still seems to be seeing things as he did some 14 years ago—in 1920—when our Nation was yet in the throes of war hysteria and the great corporate interests, which he is trying to protect, were trying to destroy the labor movement by taking advantage of a condition where many people were easily moved to believe there was a hidden enemy within our midst that was awaiting an opportunity, through seditious acts, to destroy our American institutions.

These same corporate interests, who are today waging a desperate battle to deprive the workers of their right to organize into a union of their own choosing, caused to be introduced into the Congress a dozen or more antiseditious bills which, if they had been enacted into law, would have declared the participation in a strike, which was termed an uprising, as an act of disloyalty and sedition.

Samuel Gompers, the former president of the American Federation of Labor, whom he persistently attacked from the floor of this House, has passed to his reward, and the gentleman from Texas still seems to be in the best of health, and it is my fervent hope that the Almighty, in His infinite wisdom, will decree that he will live long enough to clear the cobwebs from his vision that he may fully realize what a great, unselfish, humanitarian movement is the American Federation of Labor, headed by that fearless leader and statesman, President William Green.

While the many thousands of our boys were across the waters making the supreme sacrifice, some of these self-same powerful motor and steel corporations were on this side of the briny deep safely protected by the American flag and were nervously engaged in garnering millions and billions in profits and dividends at the expense of the energy, toil, and sacrifice of the families of the wage earners who were enrolled in service in the great World War and at the

expense of the very lifeblood of the flower of the manhood of the Nation who were left under the sod of France.

When the war was over the several million wage earners came back home with nothing of the world's goods, carrying the scars of battle and the devastating effects of poison gas and the empty promises of a job given them by many of these greedy corporation dollar-a-year patriots. Many thousands of these very veterans and their children who are employed by the automotive and steel corporations were a party to the recent controversy which emanated solely from a flat refusal by the executives of these powerful automotive corporations to allow their employees to join an organization of their own choosing, and their flat refusal to deal with their employees in collective bargaining through their chosen representatives, in accordance with the provisions of section 7a of the National Recovery Act—the law of the land.

It is certain that whatever of strike or turmoil that might have emanated from a failure to reach an agreement in the automotive controversy, the burden of blame for its consequences would be upon the shoulders of the managers of these great automotive corporations whose policies have always been a dictatorial refusal to allow their employees any vestige of the right of organization.

The gentleman from Texas says he believes that workers who do not want to join a union have the inherent right not to join. There is no disagreement between us on this sound principle of free government. These powerful automotive corporations, against whom the gentleman has no criticism, have been compelling their workers to join company unions whether they wanted to or not, by penalizing them with the loss of their job if they refused to join these company-owned and company-managed unions, which are nothing more or less than mutual admiration societies and a pawn in the hand of the employer to prevent freedom of action among the workers and their right to join a union of their own choosing.

Among the more than 300 codes of fair competition that have been approved, there have been thousands of violations on the part of employers, both large and small.

An army of code authority officials are now busily engaged from morning until night each and every day hearing the grievances of many thousands of wage earners who are covered by a permanent code in their industry and who are being deprived of their right of organization through the violation by their employers of section 7 (a) of the National Recovery Act. There are incidents in my own State where certain industries who have been dealing through collective bargaining with a number of their employees for 25 or more years, and who are now refusing to deal in any manner through collective bargaining with other of their employees who have recently formed bona fide labor organizations. Also hundreds of incidents can be cited where representatives of the employer and employee were called in to Washington and after a hearing of their difficulties, have agreed with the National Labor Board, over their signatures, to go back home and enter into negotiations through collective bargaining, when it was found that after arriving home the employers have immediately violated their agreement which was signed under direction of the National Labor Board.

Betrayal after betrayal on the part of the employers has piled up to a staggering figure, and it is indeed remarkable that the continuance of betrayals and antagonism to the provisions of section 7 (a) of the National Recovery Act has not elicited thousands of strikes throughout the United States, and it is an everlasting tribute to the intelligent leadership of the American labor movement and the splendid discipline, loyalty, and devotion of the wage earners to the President of the United States in his heroic effort to bring about order and peace out of chaos through the administration of the National Recovery Act that the number of strikes has been vastly below normal.

During the crisis of 1931 and 1932, when our country was smoldering with unrest, with 15,000,000 of wage earners permanently unemployed, 30,000,000 people—men, women, and defenseless little children—were without the means of a

livelihood, except from the hand of charity, and when 30,000,000 farmers were in bankruptcy, due to the fact that they were unable to secure a sufficient price for their products to cover even the bare cost of production, and when intense misery, suffering, starvation, and despair were stalking the Nation, it was the American Federation of Labor that kept the old Ship of State in a steady, normal course, and by their organization activities and fine discipline were largely responsible for the unorganized of the Nation standing up under the terrific strain. How far, oh, how far, does the gentleman from Texas want us to go?

The gentleman from Texas seems to want to leave the erroneous impression that the American Federation of Labor is attempting to force wage earners to join a union of the American Federation of Labor. The principle involved, upon which all of the labor controversies and threatened strikes are now based is whether men will be accorded the free and unhampered right to join a labor union of their own choosing and not be compelled, through threats, intimidation, or coercion to remain a member of a company union.

The best evidence of the truthfulness of this statement is a copy of a letter I hold in my hand that was sent to every member of the company union of the Missouri Pacific Railroad, known as the "Missouri Pacific Mechanical Department Association", by the accredited system representatives of this company union, which has been in existence since the loss of the strike of the railway shopmen's organizations upon that system in 1922, which I now desire the privilege of reading, as follows:

[From the Labor Herald, Kansas City, Mo., Friday, Mar. 23, 1934]

THEY SEE THEIR MISTAKE—THE MISSOURI PACIFIC SHOPMEN PART COMPANY WITH THE COMPANY UNION—THIS FORM OF ORGANIZATION CONDEMNED AS BEING INIMICABLE TO HARMONIOUS RELATIONS BETWEEN THE EMPLOYER AND EMPLOYEE

The officers of the Missouri Pacific Mechanical Department Association, with headquarters at St. Louis—more familiarly known as "company union"—have sent out the following letter to the mechanical department employees of the Missouri Pacific system:

For many months great numbers of employees in the mechanical department of the Missouri Pacific Railroad have evidenced a desire to merge the Missouri Pacific Mechanical Department Association into standard labor unions affiliated with the American Federation of Labor, and since the trustees in bankruptcy, Mr. Baldwin and Mr. Thompson, issued the order that employees were free to do as they please, there has been a virtual stampede of mechanical department employees into the standard labor organizations.

The law gives employees the right to join the labor organization of their choice. During the past 10 days we have covered the system and our check-up discloses that a vast majority of shop-craft employees are now members of the standard American Federation of Labor organizations and on every hand we have been asked for advice and urged to cooperate in changing the form of our organization into A. F. of L. standard labor organizations.

At most of the main shops more than 95 percent of the employees who were members of the Missouri Pacific Mechanical Department Association are now members of the A. F. of L. organization. Under these circumstances the Missouri Pacific Mechanical Department Association is wholly impotent to represent or to protect the rights of the individual employee.

We believe that the day of the company union of American railroads has passed. The President of the United States, the Congress of the United States, the Federal Coordinator of Transportation, the Director of National Industrial Recovery, and many other right-thinking men and women have condemned the company union as being inimicable to harmonious relations between employer and employee.

Bills now pending in the Congress of the United States will, if enacted into law, completely destroy the last vestige of company unions. You can no longer maintain the Missouri Pacific Mechanical Department Association in the face of such opposition. We have given careful study to the entire situation and must take our stand on the side of labor.

We therefore recommend that all members and former members of the Missouri Pacific Mechanical Department Association immediately file their application for membership in their respective shop-craft standard American Federation of Labor labor unions. This is your legal right and under present conditions your moral duty. It is the essential step to the maintenance of peace and harmony on the system—the protection of our contractual arrangements with our employer, the orderly transfer of our activities to the Nation-wide labor organizations, and to promote and maintain proper relations between the employers and employees, as well as to promote the best interest of the Missouri Pacific Railroad Co.

With these matters in mind, we have joined with the great majority of the mechanical department employees and are now members of our standard craft of American Federation of Labor organizations.

We feel that this was the proper step for us to take as complying with the expressed desire of the vast majority of the membership and we are promulgating this statement in order that all mechanical department employees may be fully advised.

Sincerely yours,

A. B. JORDAN,
General Chairman System Board.
R. E. CLINE,
General Secretary-Treasurer.
J. H. SMITH,
General Chairman Boilermakers.
J. C. DAMRELL,
General Chairman Sheet Metal Workers,
Acting General Chairman Blacksmiths.
J. J. BYRNE,
General Chairman Carmen.

[Here the gavel fell.]

Mr. DICKINSON. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 10 additional minutes.

Mr. BLANTON. Mr. Speaker, I shall not object, but since the gentleman has mentioned me I shall ask for 5 minutes, when the gentleman concludes, in order to reply to him.

Mr. WOOD of Missouri. I shall be glad for the gentleman to have the time.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MARTIN of Colorado. If the gentleman will permit, I should like to ask him if the letter the gentleman just read is signed by Mr. Baldwin.

Mr. WOOD of Missouri. It is not signed by Mr. Baldwin. He signed the order which was posted on the property and which permitted the men to join the union of their choice, and this letter is signed by the system representatives of this company union, A. B. Jordan, general chairman system board; R. E. Cline, general secretary-treasurer, and so forth.

Mr. MARTIN of Colorado. I may say for the benefit of Members who do not know him that Mr. Baldwin is considered one of the ablest railway executives in the United States.

Mr. WOOD of Missouri. He certainly is. The gentleman is quite right.

Mr. MARTIN of Colorado. And he has certainly written a most remarkable letter in favor of the right of the employees of that system to select an organization of their own choosing, and every Member of Congress ought to read this letter written by such a railway executive as Mr. Baldwin.

Mr. WOOD of Missouri. The letter was not signed by Mr. Baldwin. It emanated from an order issued by Mr. Baldwin and Mr. Thompson, receivers. It is evident that Mr. Baldwin is one of the many railway executives who seem to be inclined to follow the law of the land, and he has notified his employees that they have the right to join a labor organization.

There is contained in this letter a real and frank admission on the part of the officials of this company union on the Missouri Pacific Railway system that company unions are not only impotent to represent the best interests of its members but it also reveals the fact that at the very first inking the wage earners who are members of company unions had that they could transfer their membership from the company union to a bona fide labor organization under the American Federation of Labor without fear of the loss of their jobs, there was a veritable stampede into the bona fide recognized organizations of the American Federation of Labor, even before the officials of the organization realized that there was such a wholesale pulling away from the company union.

The prompt action of these members of the Missouri Pacific company union to join a bona fide labor union at the first opportunity is symbolic of what will happen to every other company-owned and company-managed union when the members thereof are sure that they will be protected in freedom of action to join a union of their own choosing, free of intimidation and coercion on the part of their employer.

The bank moratorium, one of the first official acts of President Franklin D. Roosevelt, was nothing more nor less in its effect than a strike, which caused the complete closing

down of an entire Nation-wide industry and paralyzed for the moment the medium of exchange of the Nation in order that a new and more permanent and substantial financial structure could be established.

The gentleman from Texas or any other right-thinking man surely does not criticize the President and the Congress for this move, which was so essential to the revamping of our financial structure. Our Nation was faced with an emergency, and drastic action was absolutely necessary, and we were indeed fortunate to have a man in the White House who had the courage to assume the responsibility of the bank moratorium, although it was a shock to the Nation which never before has been experienced in our history.

No one can question the high motives or wisdom of the people of the great State of Texas for striking against Mexico and joining up with a more progressive and democratic Nation after they had become organized and were dissatisfied and rebelled against the despotic rule.

The splendid settlement of the automotive controversy was secured because the people of our Nation cherished freedom of the right to quit their jobs either singly or in concert.

I grant to the gentleman from Texas that he knows something about what the cotton growers want because he comes from that section. I voted with the gentleman for the Bankhead bill, although I questioned seriously its advisability. But if the farmers in Texas desire a law that will compel them to serve a prison sentence for working and raising more cotton than the acreage they are allotted, that is the business of the cotton growers and I am willing for them to have exactly what they want, or at least what they think they want, that will best protect them.

There is now a petition upon the Speaker's desk which provides for discharge of the committee from consideration of the Frazier-Lemke bill. I signed that petition early in the session because the farmers' organizations throughout the Nation want this legislation, and if given the opportunity I will vote for the Frazier-Lemke bill not only because I believe it is right and will give the farmers real farm relief, but because the farmers of the Nation are demanding it, and they, better than any other, know what is best for them, and I am willing to do my part to see that they get it at the hands of this Congress.

While I grant that the gentleman from Texas [Mr. BLANTON] probably knows what the cotton growers want, as I also grant that the farmers of this Nation likewise know what they want in the way of real farm relief, in view of my 30 years' active service in the labor movement, which has afforded me intimate knowledge of the problems, loyalty, and patriotism of not only the organized but the unorganized, I hope the gentleman will also grant that I know something about the trials, tribulations, and struggles of the great labor movement as represented by the American Federation of Labor, and its hopes, desires, and aspirations.

Never has there been a more unselfish, humane, and Christian movement than that represented by William Green, president of the American Federation of Labor.

The amicable settlement of the automotive controversy and threatened strike again reveals the loyalty, patriotism, and devotion of the 5,000,000 members of the American Federation of Labor and the peerless leadership of William Green, its president.

The American Federation of Labor is not at all alarmed or concerned about the periodic mouthings of the gentleman from Texas, but it will continue onward and upward in the even tenor of its own way, spreading whatever light, enjoyment, and freedom that is within its power to the toiling millions of this Nation, and it will continue to give its undivided cooperation and loyal and patriotic support to the greatest statesman and humanitarian in all history, the Honorable Franklin D. Roosevelt, President of the United States, in his courageous and heroic effort for national recovery. [Applause.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes to reply to the gentleman from Missouri.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, the speech we have just listened to clearly exemplifies the fact that labor leaders do become intolerant and full of bias and prejudice, and are absolutely unable to view public problems from the standpoint of the whole people. For 20 years our good friend from Missouri served as President of the Missouri State Federation of Labor, during which time he attended every session of the Missouri General Assembly, sponsoring labor legislation. He has been the national legislative representative of the United Brotherhood of Maintenance of Way Employees and sponsored legislation in the interest of railway employees during the World War. His mind has been specially trained in certain grooves to protect the interests of a certain class. He speaks for the organized worker. I speak not only for the worker who is organized, but also for the worker who is unorganized, and in the interest of the whole 120,000,000 American people.

I am as old as our friend from Missouri in fighting for the rights of men who toil for their daily bread. But I fight for them only when they are right. Be they right or wrong our friend from Missouri fights for them. I am for them only when their cause is just. Our friend from Missouri is for them regardless.

Because I have had the courage to stand on this floor and criticize certain improper demands of certain autocratic labor leaders during my service in this House, my friend from Missouri is so intolerant as to refer to same as "periodic mouthings" and then make the unfounded charge that same was in the interest of organized capital.

I have never in my whole life represented organized capital in any capacity. As a lawyer I did not represent corporation. I always represented the "under dog." I represented the citizen. My life's fight has been against combines and monopolies. I have never had any patience with domineering, dictatorial, autocratic, strong-arm combines that attempt to control business, or legislatures, or the Government. And when professional labor leaders indulge in their periodic mouthings, I have never hesitated to answer them.

So that what I said may not be misinterpreted, I quote it verbatim from the RECORD, page 4931, of March 20, 1934, to wit:

Mr. BLANTON. Mr. Speaker, I feel that somebody should denounce the deliberate attempt on the part of the American Federation of Labor to involve this Nation in a strike that is inexcusable, is unpatriotic, and is unthinkable. It is almost criminal to persuade and influence 250,000 well-paid, well-cared-for, satisfied heads of families to leave their jobs, stir up strife and animosity, and bring suffering on their wives and little children.

This is no time for strikes. This is no time for trouble makers. This is no time for agitators and walking delegates. This is no time for selfish groups to ignore and disregard the Nation's welfare and the best interests of the American people as a whole.

The President of the United States has done much for labor. In the interest of men who work, our President has disorganized every business in the United States and taken same from the private conduct and control of owners and reorganized same along national lines to benefit labor. Every business in the United States has made sacrifices. These sacrifices were to benefit labor. It was a costly change for business. Labor was the beneficiary. Has it no gratitude? Does not labor appreciate what the President has done for it? Does it now want to harass the President? Is the American Federation of Labor willing to throw monkey wrenches into the Nation's machinery? Is it willing to clog everything up? Is it willing to be disloyal?

This Congress has appropriated billions of dollars to help labor. It has fed the unemployed. Congress has housed millions of laborers without jobs. Congress has clothed the wives and children of laborers who could not find work. Congress has created work that laborers should not be idle.

Is not the American Federation of Labor grateful? Has not it any appreciation? Does it not realize that it owes something to society? Is it altogether selfish? Just why is it not willing to go along with the President and lend him a helping hand?

The press this morning brings us the almost unbelievable information that all of these 250,000 workers are well paid, with their wages increased more than 50 percent during the last year, and in many cases higher than they were in 1929; that their hours have been shortened to an annual average of 36 hours per week; and that practically all of these 250,000 workers are well satisfied, yet that the American Federation of Labor is seeking to make a card from one of its unions the sole condition of employment and insist-

ing that it shall receive about \$6,000,000 in union dues taken out of the employees' salaries and paid direct to unions by employers.

I believe in organization. I believe that every worker has the right to join a union. I believe that union workers have the right of collective bargaining. I am sympathetic with all of the trials and troubles of men who labor. I want to see their conditions bettered in every possible way.

At the same time, I believe that workers who do not want to join a union have the inherent right not to join. And I believe that an American business man has the right to run his business ununionized if he wants to, and to employ men who are not unionized, if he can find them, and if they are satisfied to work for him. And I do not believe that the American Federation of Labor has any right whatever to interfere and to break up a friendly business relation existing between employer and employees, when all are perfectly satisfied and content.

Stirring up strife and trouble now is disloyal to the President. It is disloyal to the Nation. It is putting the selfishness of a group above the interest of the Nation. It is letting the tail wag the dog. It is saying that less than 5,000,000 organized into a group are more important than the unorganized 115,000,000 people of the United States.

It is the duty of the American Federation of Labor to work in harmony with the President. It is its duty to show some gratitude. It is its duty to show some appreciation. It is its duty to put country above group. It is its duty to abandon greed and selfishness. It is its duty to go along with the Government in its efforts to bring about a recovery and bring about better conditions, and I am not in sympathy with this selfish stand taken by the American Federation of Labor.

The American Federation of Labor ought to call off this strike. They ought to admonish these men that this is no time to strike; that this is no time to take men out of good employment and put them on the streets. This is a time to uplift rather than break down; this is a time to back the President; this is a time to back the Congress; this is a time to stand firm for the Government and show loyalty to the Commander in Chief of this Nation. [Applause.]

Our friend from Missouri calls the above "mouthings." I will leave it to the American people if what I said does not constitute good American philosophy and good Democratic doctrine. I want the American people to point out any sentence in what I said that is un-American. I repeat that this is no time for strikes. This is no time for trouble makers. This is no time for agitators and walking delegates. This is no time for selfish groups to ignore and disregard the Nation's welfare and the best interests of the American people as a whole.

Following my speech on March 20, 1934, as quoted above, I received several hundred letters from workers in motor plants endorsing every word I said, and asserting that they were well paid, and were perfectly satisfied, but that the American Federation of Labor was trying to force them and their employers to agree to its dictation against their will, and to require dues to the extent of about \$6,000,000 to be taken out of their wages and paid by their employers direct to the unions affiliated with the said American Federation of Labor.

Of course, every professional labor leader firmly believes that the American Federation of Labor has the right to make the demands that it has been making, and that all employers who will not bow down and accept its will are void of conscience and should be compelled to allow the American Federation of Labor to run their businesses.

No man in this Congress is more sympathetic than I am toward organized labor, when it is right, or more appreciative of the splendid work accomplished for labor by Samuel Gompers during his lifetime. I have fought for decent wages. I have fought for decent hours. I have fought for decent working conditions. I have fought for decent living conditions. I have fought for American standard of living. But when organized labor has made unjust demands I have not hesitated to oppose same.

The gentleman from Missouri spoke of some of the fights I have made from this floor on labor matters, and called them "periodic mouthings." Let me mention some of them. When John B. Densmore was Director General of Employment, and was spending money like water out in California trying to manufacture testimony for the noted anarchist and bomb thrower, Tom Mooney, and burglarized the office of District Attorney Fickert, and criminally installed in it a secret dictaphone, and tried to frame court officials in the interests of said murderous anarchist, and then tried to get from this Congress an additional \$10,000,000 to use in such

nefarious undertaking, I stopped him. By making proper points of order, and waging a fight from this floor against his \$10,000,000 proposed appropriation, I defeated same on three different occasions, and kept him from wasting this \$10,000,000. Was my action un-American? Was not I acting for the best interests of the American people? By passing a resolution of inquiry I forced the Secretary of Labor to furnish the secret report made to him by John B. Densmore, and caused the same to be published in a House document, copies of which are still available in the House document room, if the supply there has not been exhausted. I have my copy in my office and will show it to any colleague interested.

I did wage an uncompromising fight here to get the American Federation of Labor to rid itself of such anarchists as William Z. Foster, whose infamous red book on syndicalism I read from this floor, and I showed conclusively that William Z. Foster was not only trying to undermine the Government but was also boring from within, and was trying to undermine and destroy the American Federation of Labor. At that time William Z. Foster was an honored official of the American Federation of Labor and high up in its councils, and because I denounced his methods I was then designated as unfriendly to labor, and put on labor's blacklist, when just the opposite was true, and history which has since transpired has proven that I was a loyal friend to labor when I denounced William Z. Foster, for within a few years thereafter the American Federation of Labor expelled him from its membership, and has at all times since refused to affiliate with or to have anything to do with William Z. Foster.

Mr. DINGELL. Will the gentleman yield?

Mr. BLANTON. I am sorry that I cannot. I regret that I have not the time. Otherwise I would gladly yield. I must reply fully to the speech made by our good friend from Missouri.

Mr. Speaker, although I differed with him on some occasions, and did not hesitate to oppose him when he was wrong, though in doing so I knew that I was taking my political life in my hands, I had great admiration for the many fine qualities possessed by Samuel Gompers. He was a great labor leader. He had a wonderful insight in human nature. He was absolutely fearless. He was a magnificent organizer. There will never be another Samuel Gompers.

Once, Mr. Speaker, when he came to my office and demanded that I change my position on a bill and threatened me with defeat if I did not, I told him to "go to h—", and in the succeeding primary he demonstrated his political influence, for he almost defeated me. He published whole-page advertisements over his own signature against me in the newspapers of my district. And I always will believe that after he failed in his efforts to defeat me he had much greater respect for me thereafter, for he seemed more friendly than ever. To dislike him was impossible. His nature and personality commanded the esteem of everyone who knew him well.

During the World War there were 6,000 strikes by organized labor against the Government. Men who were getting \$30 a day in shipyards struck against the Government. Railroad employees forced Director McAdoo to give them increases of \$764,000,000 and date it back 6 months. I warned them then that the time would come when they would see train after train without a passenger on it, with railroad business wrecked, and no demand for their services, and there would be thousands of them losing their jobs. That day has come.

It is true that when President Wilson sent for some of us and said, "Strikes are ruining the Government; they are giving comfort and aid to the German Kaiser; I cannot carry on this war with these strikes", he asked us to pass what he then designated as the "work-or-fight" amendment.

Mr. WOOD of Missouri. Will the gentleman yield?

Mr. BLANTON. In just a moment. I shall be glad to yield.

When they had exempted many thousands of workers from the draft and had granted to the worker the right not to fight, but to stay here at home and work and had exempted him from the draft, they refused to work, and strike after strike occurred, until some workers were receiving \$30 per day. There were 6,000 strikes against the Government. The work-or-fight amendment provided that if he did not work, they could take his exemption away from him and make him fight. At the instance of the President, our Commander in Chief of the Army and Navy, I took this floor one day and made a speech against these repeated strikes and in behalf of his work-or-fight amendment. I spoke for it, and I helped to pass it in this House, but it was finally killed.

Was not that a proper amendment to the Draft Act? When our country was engaged in deadly conflict across the seas, and there was an act drafting every able-bodied man between certain ages to don uniforms and fight, and certain workers, aided and backed by the American Federation of Labor, got exempted and excused from the draft in order to work, and notwithstanding they were receiving many times what the soldiers in France received, they engaged in strike after strike against the Government, was it not right and proper that their exemptions should be taken away from them and they should be made to fight?

Yet, after said "work-or-fight amendment" had been passed by this House, organized labor, backed by the American Federation of Labor, threatened to march on this Capitol and on the White House, and through such threats finally prevented such amendment from being passed into law. And in the succeeding election Senator Thomas, who introduced such amendment, was defeated by organized labor, the American Federation of Labor waging a special fight against him.

Is my friend from Missouri in favor of that amendment—men who have been exempted from fighting in order to work, and who will not work, make them fight? Is the gentleman in favor of it? President Wilson asked for it, and I helped him to pass it here in this House.

Mr. WOOD of Missouri. Will the gentleman yield?

Mr. BLANTON. I will yield in a few minutes. Then during the war when the international telegraphers threatened to strike and to tie up every means of communication, President Wilson sent word to us here that it would absolutely ruin him in winning the war. They threatened to tie up every cable, every telegraph, every telephone, and every radio, and the President said if that strike came off he could not win the war.

I took the floor and I said that if the telegraphers pulled off that international strike that they would be traitors to their country, for they would be lending aid and comfort to our foreign enemies, and I received through the mails every kind of threat imaginable.

Mr. WOOD of Missouri. Will the gentleman yield now?

Mr. BLANTON. I yield.

Mr. WOOD of Missouri. Does the gentleman believe that President Wilson would have appeared after the war before the American Federation of Labor and thanked them for their loyalty and devotion during the war if there had been anything done by the labor movement to prevent the winning of the war?

Mr. BLANTON. That was in behalf of the great labor movement nationally. Many members of organized labor refused to strike.

[Here the gavel fell.]

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that the gentleman have 1 minute more in order that I may ask him a question.

The SPEAKER. Is there objection?

There was no objection.

Mr. FITZPATRICK. Does the gentleman realize that during the war employers and corporations charged the Government 300- and 400-percent profit on their contracts?

Mr. BLANTON. Yes; and I fought them then, and have been fighting them every since trying to drive them out of the country into the deep blue sea for all of such practices.

Mr. WOOD of Missouri. I should like to ask the gentleman from Texas what men were getting \$30 a day?

Mr. BLANTON. Experts and skilled mechanics in shipyards and other works. I know a few men from my district, who had never gotten more than \$2.50 a day theretofore, were getting \$30 a day when some of these strikes were pulled off.

Mr. WOOD of Missouri. Not members of the American Federation of Labor.

Mr. BLANTON. Oh, yes; they were forced to be unionized whether they liked it or not; and when the strike order came they had to obey it. They told me all about it after the war and said they did not want to strike and were perfectly satisfied, but they were forced to strike.

In conclusion, in order to keep the record straight and to let the American people know just what this strike is all about, I want to quote from what United States Senator LOGAN, of Kentucky, published in the CONGRESSIONAL RECORD on March 24, 1934; and I quote same from page 5300, as follows, to wit:

The process of recovery has so far taken place because of the cooperation of both capital and labor to that end. So long as a balance was kept by give-and-take, mutual sacrifice, and mutual cooperation, this has continued.

Now the American Federation of Labor attempts to leap into the saddle forcibly with a demand for complete union control of the Nation's busiest industry. The alternative is a strike of vast proportions that would tie up the one business that has led the way toward recovery in the last 4 months.

Hundreds of thousands of satisfied workmen, who desire only to be left alone to support their families, do their work, and enjoy life, would thus be thrown out of employment. The effects of the strike would be felt by millions of people employed in dozens of industries. This includes steel, the continued production of which is so vital to recovery here in Ashland.

The point at issue is not one of hours, nor of wages, but of ultimate control of the industry itself. The American Federation of Labor insists upon complete unionization of the automobile business, with a general strike as the alternative. The automobile manufacturers refuse to yield control of the business which they have built and developed to paid union executives who did not build nor develop it.

On the top of this danger is the threat of the Wagner bill in the Senate, which would make unionization imperative in all American industry. This would be done by legislative mandate and would force the country's 40,000,000 workers into union membership whether they desired it or not.

Just at a time when recovery seemed to be an accomplished fact the leaders of the American Federation of Labor decide to get all the workers of the Nation into their paying membership, or to tear down the whole fabric of recovery with general strikes if their demands are not met. Further to cinch their absolute rule over the Nation's industry, they seek to force through Congress the Wagner bill, which would legalize and perpetuate their control.

The Nation has gone along with the new deal and accepted and adopted with zeal many principles and formulas emanating from the halls of Columbia University and totally foreign to American ideals of freedom without question or quibble. But unless the swing to communism is halted somewhere within the range of reasonable ideas of justice and liberty the Nation itself will balk. We are not ready for a dictatorship or radical and self-seeking walking delegates any more than we were willing to stand for a dictatorship of the power of wealth and entrenched privilege, such as brought us to our fall 4 years ago.

Fair hours to admit a maximum of employment, fair compensation for labor to give all a living wage with something over, the right of workers to bargain collectively, the elimination of cut-throat competition, all these are worthy ends, at least partially achieved. Complete dictatorship over privately owned industry by the American Federation of Labor is another thing entirely. Its leaders did not build it and are not equipped to rule it, either by training or by ability.

I have just received the information that the Hudson Motor Co. has been forced to shut down its plant because of strikes, letting 18,000 employees out of work, and that 5,600 employees of the Motor Products Co. had been called out on strike. And here is what has just come over the wire:

The fuse burned short on the motor industry's explosive labor situation today as the two major unions of automobile workers both repudiated President Roosevelt's automotive arbitration board.

The mutually hostile unions—the American Federation of Labor and the Mechanics Educational Society—joined in denouncing the arbitration board appointed by President Roosevelt when he averted a strike 2 weeks ago.

It will be a sad day for the American Federation of Labor if it permits these strikes at this time and cripples industry and takes these heads of families from gainful employment and put them on the streets. The American people are patient and long-suffering. But they will not have any sympathy for any strike in this crisis. William Green and his American Federation of Labor must not undo all that was accomplished for labor by Samuel Gompers.

WAR DEPARTMENT APPROPRIATION BILL

Mr. COLLINS of Mississippi. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 8471, the War Department appropriation bill for 1935, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Is that agreeable to the other members of the committee?

Mr. COLLINS of Mississippi. Entirely.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. COLLINS of Mississippi, Mr. PARKS, Mr. BLANTON, Mr. BOLTON, and Mr. POWERS.

VETERANS' REGULATIONS (H.DOC. NO. 299)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments, and ordered printed.

To the Congress of the United States:

Pursuant to the provisions of section 20, title I, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith copies of Executive Orders No. 6668, Veterans' Regulation No. 1 (e), and No. 6669, Veterans' Regulation No. 12 (b), approved by me April 6, 1934.

These veterans' regulations have been issued in accordance with the terms of title 1, Public, No. 2, Seventy-third Congress. Executive Order No. 6661, Veterans' Regulation No. 1 (d), and Executive Order No. 6662, Veterans' Regulation No. 12 (a), contained provisions carrying out the purpose as expressed in my message of March 27, 1934, to the House of Representatives, returning without my approval H.R. 6663, entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1935, and for other purposes." The provisions of Public, No. 141, Seventy-third Congress, March 28, 1934, have gone far beyond the intent of these regulations. The regulations transmitted herewith are, therefore, for the purpose of canceling them.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 6, 1934.

CIVIL-SERVICE RETIREMENT ACT (H.DOC. NO. 298)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Congress:

Pursuant to the provisions of section 16 of the act of March 3, 1933 (ch. 212, 47 Stat. 1517), as amended by title III of the act of March 20, 1933 (ch. 3, 48 Stat. 16), I am herewith transmitting an Executive order transferring to the United States Civil Service Commission the duties, powers, and functions now vested in the Veterans' Administration pertaining to the administration of the Civil Service Retirement Act and the Canal Zone Retirement Act.

The administration of laws governing the retirement of civil employees of the Government is logically and properly a function of the Civil Service Commission, and the transfer

effected by this order will permit a more efficient administration of the activities involved. The Director of the Bureau of the Budget has informed me that the transfer will result in an annual saving of approximately \$45,000.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 7, 1934.

PASSAMAQUODDY FISHERIES COMMISSION (H.DOC. NO. 300)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith the report made by the International Passamaquoddy Fisheries Commission, the American members of which were appointed according to an act of Congress approved June 9, 1930. The act authorized appropriations for an investigation jointly by the United States and Canada of the probable effects of proposed international developments to generate electric power from the movement of the tides in Passamaquoddy and Cobscook Bays on the fisheries of that region.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 7, 1934.

CALL OF THE HOUSE

Mr. WOLCOTT. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Michigan makes the point of order that there is no quorum present. Evidently there is not.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 123]

Adair	Darrow	Johnson, Okla.	Peavey
Allen	De Priest	Johnson, W.Va.	Peyser
Allgood	DeRouen	Kelly, Ill.	Ramspeck
Auf der Heide	Dickinson	Kelly, Pa.	Rayburn
Ayers, Mont.	Dickstein	Kennedy, Md.	Reed, N.Y.
Bacharach	Dobbins	Kennedy, N.Y.	Reld, Ill.
Bankhead	Douglass	Kennedy	Rudd
Beam	Doutrich	Kerr	Sabath
Beck	Doxey	Knutson	Schaefer
Bolleau	Drewry	Kocalkowski	Scrugham
Boylan	Eaton	Kramer	Shannon
Britten	Eicher	Kurtz	Simpson
Brooks	Fitzgibbons	Kvale	Sirovich
Browning	Ford	Lanzetta	Sisson
Brumm	Foulkes	Lee, Mo.	Smith, Va.
Buckbee	Frey	Lehlbach	Snell
Caldwell	Fulmer	Lewis, Md.	Somers, N.Y.
Carley, N.Y.	Gasque	Lindsay	Stalker
Carpenter, Nebr.	Gavagan	McCormack	Stokes
Cavichia	Gillespie	McDuffie	Strong, Tex.
Celler	Glover	McSwain	Sullivan
Chavez	Granfield	May	Taylor, Colo.
Christianson	Griffin	Milligan	Taylor, Tenn.
Clark, N.C.	Hancock, N.C.	Montague	Turpin
Condon	Healey	Moynihan, Ill.	Underwood
Conner	Hess	Muldowney	Weaver
Corning	Hollister	Murdock	Withrow
Crowther	Hughes	Musselwhite	Wolfenden
Culkin	James	Nesbit	Wolverton
Cullen	Jenkins, Ohio	O'Brien	Zioncheck
Darden	Johnson, Minn.	Oliver, Ala.	

The SPEAKER. Three hundred and seven Members present, a quorum.

Mr. BYRNS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

DISTRICT OF COLUMBIA BUSINESS

SALE OF POTOMAC SCHOOL PROPERTY

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 2057) authorizing the sale of certain property no longer required for public purposes in the District of Columbia.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and empowered to

sell and convey to the highest bidder, at public or private sale and at such time as in their opinion may be most advantageous to the District of Columbia, the old Potomac School property, known as lot 802 in square 327, containing 5,837 square feet of land, more or less, and the proceeds from such sale shall be deposited in the United States Treasury to the credit of the District of Columbia.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Speaker, the purpose of this bill is to give the District Commissioners authority to sell what is known as the old Potomac School property, situated in the wholesale market area of southwest Washington, which is no longer needed for school purposes. An identical bill was introduced in the Seventy-second Congress and passed the House and was favorably reported by the Senate District Committee. At that time hearings were held. There appeared to be no opposition to the bill.

I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BOUNDARIES OF WHITEHAVEN PARKWAY, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 2509) to readjust the boundaries of Whitehaven Parkway at Huidekoper Place in the District of Columbia, provide for an exchange of land, and for other purposes.

The SPEAKER. The gentlewoman from New Jersey calls up the bill S. 2509, which the Clerk will report.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in order to readjust the boundaries of Whitehaven Parkway at Huidekoper Place and preserve the trees and other natural park values, the Commissioners of the District of Columbia be, and they are hereby, authorized to close, vacate, and abandon for highway and alley purposes the area contained in parcels designated "A", as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1817, and to transfer said area so closed, vacated, and abandoned to the United States to be under the jurisdiction of the Director of National Parks, Buildings, and Reservations for park purposes.

Sec. 2. That the Commissioners of the District of Columbia are authorized to use for street and alley purposes the area comprised within the parcels designated "B", as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1817; and the Director of National Parks, Buildings, and Reservations is authorized to make the necessary transfer of said land to the District of Columbia, same to be under the jurisdiction of the said Commissioners for street and alley purposes.

Sec. 3. That upon the dedication by the lawful owner or owners of the land contained in the parcel designated "C" and the transfer by plat as provided herein and/or the conveyance by deed of the land contained in the parcel designated "D", in accordance with map showing said parcels filed in the office of the surveyor of the District of Columbia, numbered as map 1817, the said parcel "C" to be dedicated to the District of Columbia for street purposes and the said parcel "D" transferred by plat and/or conveyed by deed to the United States, to be under the jurisdiction of the Director of National Parks, Buildings, and Reservations, then the said Director of National Parks, Buildings, and Reservations, with the approval of the Secretary of the Interior, acting for and in behalf of the United States of America, is authorized and directed to transfer by plat as provided herein and/or convey by deed all the land comprised in the parcel designated "E" as shown on said map filed in the office of the surveyor of the District of Columbia and numbered as map 1817, said transfer and/or conveyance to be made to the owner or owners making the transfer and/or conveyance of said parcel designated "D" to the United States, such transfers and/or deeds of conveyance to pass title in fee simple to the said land, and any and all of such transfers when duly executed and consummated shall constitute legal conveyances of the parcels herein described to the parties in interest: *Provided, however,* That good and sufficient title, satisfactory to the Commissioners of the District of Columbia and the Director of National Parks, Buildings, and Reservations shall be given with respect to the land contained in said parcels "C" and "D", respectively: *And provided further,* That upon the transfer by plat and/or the conveyance by deed of the said parcel designated "E",

as provided herein, the land contained in said parcel shall be subject to assessment and taxation the same in all respects as other private property in the District of Columbia.

Sec. 4. That the surveyor of the District of Columbia is hereby authorized to prepare the necessary plat or plats showing the parcels of land to be transferred and dedicated in accordance with the provisions of this act, with certificates affixed thereon to be signed by the parties in interest making the necessary transfers and dedication, which plat or plats, after being signed by the various interested parties and officials, and approved by the Commissioners of the District of Columbia, upon recommendation of the National Capital Park and Planning Commission, shall be recorded upon order of said Commissioners in the office of the surveyor of the District of Columbia, and said plat or plats and certificates when so recorded shall constitute a legal dedication and legal transfers of the property described for the purposes designated according to the provisions of this act.

Mrs. NORTON. Mr. Speaker, the purpose of this bill is to make an exchange of lands between the National Capital parks and private individuals at Huidekoper Place and Whitehaven Parkway, to close a portion of this particular place and dedicate certain areas. This has the unanimous support of the District Commissioners and the Capital Park and Planning Commission.

I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ALCOHOLIC BEVERAGE CONTROL ACT

Mrs. NORTON. Mr. Speaker, I call up the bill (H.R. 8854) to amend the District of Columbia Alcoholic Beverage Control Act by amending sections 11, 22, 23, and 24.

The SPEAKER. The gentlewoman from New Jersey calls up the bill H.R. 8854, which the Clerk will report.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object for the purpose of asking the gentlewoman a question. This bill was sent to the committee by the District Commissioners?

Mrs. NORTON. Yes.

Mr. BLANTON. And is approved by the District Commissioners?

Mrs. NORTON. Yes.

Mr. BLANTON. And by the corporation counsel's office?

Mrs. NORTON. Yes.

Mr. PALMISANO. The only change in the law in this case is that it requires the placing of a stamp to make sure that the Commissioners will get the revenue.

Mr. BLANTON. Does this have the unanimous report of the Committee on the District of Columbia?

Mrs. NORTON. Yes.

Mr. BLANTON. And the gentleman from Texas [Mr. PATMAN] does not raise any objection to this bill?

Mr. PATMAN. No.

Mr. BLANTON. I withdraw the reservation of objection.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That section 11, subsection (c), of the District of Columbia Alcoholic Beverage Control Act is amended by adding at the end of the first paragraph thereof the following: "It shall not authorize the sale of beverages to any other person except as may be provided by regulations promulgated by the Commissioners under this act."

Sec. 2. That section 22 of the said Alcoholic Beverage Control Act be amended by adding at the end thereof a new paragraph, to read as follows:

"(c) The Commissioners may at any time suspend or revoke in whole or in part the requirements of this section."

Sec. 3. That section 23 of the said Alcoholic Beverage Control Act is amended so as to read as follows:

"Sec. 23. (a) There shall be levied, collected, and paid on all of the following-named beverages manufactured by a holder of a manufacturer's license, and on all of the said beverages imported or brought into the District of Columbia by a holder of a wholesaler's or retailer's license, a tax at the following rates, to be paid by the licensee in the manner hereinafter provided:

"(1) A tax of 35 cents on every wine-gallon of wine containing more than 14 percent of alcohol by volume, except champagne, or any wine artificially carbonated and a proportionate tax at a like rate on all fractional parts of such gallon; (2) a tax of 50 cents on every wine-gallon of champagne or any wine artificially carbonated, and a proportionate tax at a like rate on all fractional parts of such gallon; (3) a tax of 50 cents on every wine-gallon of spirits, and a proportionate tax at a like rate on all fractional parts of such gallon; (4) and a tax of \$1.10 on every wine-gallon of alcohol, and a proportionate tax at a like rate on all fractional parts of such gallon.

"(b) Said taxes shall be collected by and paid to the Collector of Taxes of the District of Columbia and shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

"(c) Said taxes shall be collected and paid by the affixture of a stamp or stamps secured from the Collector of Taxes of the District of Columbia, denoting the payment of the amount of the tax imposed by this act, upon such beverage, such affixture to be upon the immediate container of the beverage, unless the Commissioners shall by regulation permit otherwise.

"(d) The Collector of Taxes of the District of Columbia shall furnish suitable stamps, to be prescribed by the Commissioners, denoting the payment of the taxes imposed by this act, and shall by the sale of such stamps at the amounts indicated on the faces thereof cause the said taxes to be collected.

"(e) Upon beverages manufactured in the District of Columbia by a manufacturer licensed under this act, the stamps required by this act shall be affixed before the removal of the beverage from the place of business or warehouse of the said manufacturer for delivery to a purchaser. Upon beverages except taxable light wines, imported or brought into the District of Columbia by any wholesaler licensed under this act, the stamps required by this act shall be affixed before the removal of the beverage from the place of business or warehouse of the said wholesaler for delivery to a purchaser; upon taxable light wines imported or brought into the District of Columbia by any wholesaler licensed under this act, the said stamps shall be affixed within 24 hours (excluding Sunday from the count) after the wines are received at the licensed premises of the wholesaler. Upon beverages purchased outside the District of Columbia by any retailer licensed under this act, the stamps required by this act shall be affixed within 24 hours (excluding Sunday from the count) after the beverage is received at the licensed premises of said retailer.

"(f) No person shall use or cause to be used for the payment of any tax imposed by this act a stamp or stamps already theretofore used for the payment of any such tax.

"(g) No tax shall be levied and collected on any alcohol exempt from tax under the laws of the United States, or on any alcohol sold for nonbeverage purposes by the holder of a manufacturer's or wholesaler's license, in accordance with the regulations promulgated by the Commissioners.

"(h) If any act of Congress shall hereafter prescribe for a Federal volume tax on alcoholic beverages under which a portion of said tax shall be returned to the District of Columbia, the taxes levied under this section shall not be collected after the effective date of said act.

"(i) The possession by any licensee of any beverage after its removal from the licensed premises of a manufacturer or wholesaler within the District of Columbia or after 24 hours (Sundays being excluded from the count) after its receipt from outside the District of Columbia, upon which the tax required has not been paid, shall render such beverage liable to seizure wherever found, and to forfeiture by the District of Columbia. And the absence of the proper stamps from any container (or wrapper if such be permitted) after the time at which the affixture of the stamp is required by this act shall be notice to all persons that the tax has not been paid thereon and shall be prima facie evidence of the nonpayment thereof. Such beverage so liable to forfeiture shall be proceeded against in the Supreme Court of the District of Columbia by the corporation counsel of the District of Columbia, and, if condemned, the said beverage shall be disposed of by destruction or delivered for medicinal, mechanical, or scientific uses to any department or agency of the United States Government or the District of Columbia government or any hospital or other charitable institution in the District of Columbia, or sold at public auction, as the court may direct. The proceedings of such libel cases shall conform, as near as may be, to the proceedings in admiralty, and all such proceedings shall be at the suit of and in the name of the District of Columbia.

"(j) Any person who shall counterfeit or forge any stamp required by this act shall, upon conviction, be subject to a fine not exceeding \$5,000 or to imprisonment for a period of not more than 2 years, or to both such fine and imprisonment."

Sec. 4. That section 24 of said Alcoholic Beverage Control Act is amended so as to read as follows:

"Sec. 24. (a) Every licensed manufacturer, wholesaler, and retailer under this act shall furnish the collector of taxes of the District of Columbia on the day this act becomes effective a statement under oath, on a form to be prescribed by the Commissioners, showing the amount and kind of taxable beverages held and possessed by him on the day this act becomes effective, and shall state the number and denomination of stamps necessary for the stamping of such beverages so held and possessed on said date, as required by this act.

"(b) All beverages held or possessed by any licensed manufacturer, wholesaler, and retailer under this act on the effective date of this act shall have the stamps affixed thereto as required by

this act, but such stamps shall be furnished free and without cost to such licensee by the collector of taxes of the District of Columbia upon receipt by him of the statement under oath required by paragraph (a) of this section: *Provided, however*, That such licensee shall on or before the 10th day of the calendar month first occurring after the effective date of this act, file with the Board the statement under oath required under section 22, paragraphs (a) and (b) of the Alcoholic Beverage Control Act for the District of Columbia as originally enacted and approved, and shall on or before the 15th day of the calendar month first occurring after the effective date of this act pay to the collector of taxes of the District of Columbia all taxes imposed by section 23 of said act, as originally enacted and approved, on the beverages so reported as herein required."

Sec. 5. This act shall become effective on the 1st day of the calendar month first occurring after 30 days from the approval thereof.

With the following committee amendments:

Page 4, line 10, after the word "wholesaler", insert "and before said wines are sold by such wholesaler."

Page 4, line 15, after the word "retailer", insert "and before said beverage is sold by such retailer."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

Mrs. NORTON. Mr. Speaker, I call up the bill (H.R. 8525) to amend the District of Columbia Alcoholic Beverage Control Act to permit the issuance of retailers' licenses of classes A and B in residential districts, and I ask unanimous consent that the same be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the lady from New Jersey?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the first paragraph of section 15 of the District of Columbia Alcoholic Beverage Control Act is amended to read as follows:

"SEC. 15. No retailer's licenses except of classes A, B, or E shall be issued for any business conducted in a residential-use district as defined in the zoning regulations and shown in the official atlases of the Zoning Commission, except for a restaurant or tavern conducted in a hotel, apartment house, or club, and then only when the entrance to such restaurant or tavern is entirely inside of the hotel, apartment house, or club and no sign or display is visible from the outside of the building."

Mr. O'CONNOR. Will the lady yield?

Mrs. NORTON. I yield.

Mr. O'CONNOR. I understand this bill permits drug stores license E?

Mrs. NORTON. No. This is the residential zone bill.

Mr. O'CONNOR. There was some question in the opinion of the District Commissioners whether or not there could be drug-store license E, retailer's license E, in these residential districts. I had some correspondence with the Commissioners. This bill clears up any question as to that. I have been in favor of drug stores, organized in residential districts, which have existed for some time, having retail license E, which permits them to sell liquor on prescriptions. This bill clears up any question about that matter?

Mrs. NORTON. The gentleman is quite right.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

Mrs. NORTON. Mr. Speaker, I call up the bill (H.R. 8519) to amend sections 5, 9, and 12 and repeal section 36 of the District of Columbia Alcoholic Beverage Control Act, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the lady from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the District of Columbia Alcoholic Beverage Control Act is amended by striking out the words "dealing, manufacturing, transporting, or storing" and inserting in lieu thereof the words "dealing in or manufacturing."

Sec. 2. Section 9 of such act is amended by striking out the word "individual" and inserting in lieu thereof the word "solicitor."

Sec. 3. Section 12 of such act is amended to read as follows:

"Sec. 12. The holder of a manufacturer's or wholesaler's license issued hereunder shall not be entitled to hold any other class of license. No retailer's license class A or class B shall be issued or remain in force in respect of any premises for which a retailer's license class C or class D has been issued. A person, not licensed hereunder, owning an establishment for the manufacture of beverages located outside of the District of Columbia may hold one wholesale license and shall not be entitled to hold any other license."

With the following committee amendment:

Page 2, line 12, insert "Provided, That this section shall become effective 90 days after the approval of this act."

The committee amendment was agreed to.

Mr. O'CONNOR. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill does two things which should not be permitted to be done. In the first place, it permits drug stores to sell liquor not only on prescription—which this House determined as the extent of their privilege, as it thought it did—in accordance of the formula of the United States Pharmacopœia, but this bill would permit them also to have another license, which would permit them to sell liquor for consumption off the premises. In other words, that is, they could sell any kind of liquor, and not only bonded liquor or liquor aged in wood. The bill permits them to sell any kind of liquor, whether it is good for public consumption or not.

It is with some reluctance that I discuss these liquor bills, but I assure you I do it in a noninterested sense, my only purpose being to protect the people of the District of Columbia, the consumers of the liquor. I never represented and never shall represent the makers or sellers of the stuff.

When the bill was passed, if you will recall, I offered an amendment on the floor that drug stores could sell only liquors which answered the prescription of the United States Pharmacopœia. That meant liquors aged in wood at least 4 years, because the doctors say any of this blended liquor is not fit for human consumption, especially when it is fed to infants or to people of advanced age; that it might even cause death.

It was found out, after the District bill passed, that the drug stores could have both a drug store's license and a retailer's license to sell liquor, whisky, and so forth, for consumption off the premises. I took up the matter with the Commissioners of the District of Columbia and pointed out to them that I believed that it was the intent of Congress that drug stores should be confined to selling liquor only on prescription, and the corporation counsel replied to me that we had overlooked one provision of the law, which permitted druggists to get both kinds of licenses.

This being the case, I should like an opportunity to offer an amendment on page 2, in line 7, in the sentence which reads:

No retailer's license class A or class B shall be issued or remain in force in respect of any premises for which a retailer's license class C or class D has been issued.

I should like to add the words "or class E", which is the drug-store license. I do not believe Congress wants drug stores selling all kinds of liquor for consumption off the premises. I do not believe you want to make rum shops out of drug stores.

I do not believe you want someone to go in with a prescription to a drug store and have the "doctor" say, "Why don't you buy this blended stuff"—rotten—"at half the price at which you could get the bonded stuff?" I do not believe you want that done in the District. I wish I could be permitted to offer an amendment on page 2, line 7, after the words "class D" to insert the words "or class E." The effect of that would be that the drug stores could only have one kind of a license, namely, to sell liquor on prescription within the definition of "liquor", under the United States Pharmacopœia.

Mr. BLANCHARD. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. BLANCHARD. Does this bill provide that liquor can be sold on the premises, and that it may be blended whisky?

Mr. O'CONNOR. Yes.

Mr. BLANTON. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. BLANTON. This is the camel's nose getting under the tent for further enlargement?

Mr. O'CONNOR. Surely.

Mr. BLANTON. My friend from New York knows that there is a certain effort being made in the District now to issue licenses to sell liquors in chain stores and in various other kind of stores.

Mr. O'CONNOR. Well, I am for that. I will tell the gentleman why I am for the chain stores selling liquor, because they will help to break the Whisky Trust. The only way you will break the Whisky Trust is to have the A. & P. stores and the other chain stores establish their own distilleries and sell the products, either at a loss or a profit. [Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. I am thinking particularly of the family that goes to the chain store on Saturday night with only \$3 to spend. Instead of buying potatoes, rice, bread, butter, and milk, might they not spend that money some other way?

Mr. O'CONNOR. I hope they do not, and I hope nobody lets them spend it for the things they do not need.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. Certainly.

Mrs. NORTON. The gentleman said he was in favor of chain stores selling liquor. Why discriminate against drug stores?

Mr. O'CONNOR. A drug store should be a drug store and not a rum shop.

Mr. SEARS. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SEARS. A druggist took it up with me because I worked for 7 years in a drug store. They are now required to pay a druggist's license; they are required to pay a District license which permits them to sell any kind of liquor and display it. Am I to understand they are possibly to be called upon to pay another license? I am not clear on the matter.

Mr. O'CONNOR. It was never intended that they should have any license except a druggist's license.

Mr. SEARS. I agree with the gentleman that the drug stores should be exempt and that they should sell it for medicinal purposes only on a doctor's prescription, which they do now.

Mr. O'CONNOR. They do not have to do that now. This bill should be amended by inserting the clause "class E." This will confine the druggists to the sale of liquor on prescription, liquor which meets the standards of the United States Pharmacopoeia.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. O'MALLEY. The gentleman said that a drug store should be a drug store. The gentleman must realize that the modern drug store sells everything from lawn mowers to baseball bats.

Mr. O'CONNOR. That may be, but they have not yet been turned into rum shops.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. TRUAX. Does the gentleman mean to say—and I am asking this for information—that the drug stores are the only stores that are selling blended liquor today?

Mr. O'CONNOR. Oh, no. Another thing, this bill would permit the selling of blended liquor without stating the contents on the label.

Mr. TRUAX. But I should like to have my question answered.

Mr. O'CONNOR. Oh, no; most stores are selling blended liquor, I am sorry to say. I would prohibit it altogether.

Mr. TRUAX. All of them?

Mr. O'CONNOR. Yes. The drug stores are selling blended liquor on prescription in violation of law. The matter to which the gentleman refers will be taken care of in a later bill introduced by the gentleman from Peoria, Ill. [Mr. DIRKSEN], the representative of the greatest blended distilleries in America, who want the drug-store people to sell blended whisky on prescription, whisky that may kill infants and old people. We should defeat that bill.

Mr. TRUAX. Then is it the purpose of the gentleman by his amendment merely to eliminate the sale of blended liquor by drug stores?

Mr. O'CONNOR. Yes; but that comes up more specifically in a later bill.

I should like to see this bill amended so that a drug store can sell liquor only on prescription and that that liquor must conform to United States Pharmacopoeia standards. That is what we thought we were doing when we passed the District of Columbia liquor control bill.

Mr. TRUAX. Does the gentleman mean to infer that the Peoria district produces nothing but blended whisky?

Mr. O'CONNOR. They produce nothing but blended whisky. They bring in wonderful bonded whisky from Canada, but they cut it 10, 12, or 20 times. They will not sell it bonded or aged in the wood. It is too precious to sell, so they cut it, as the bootleggers did.

Mr. TRUAX. Then, they must be counterfeiting their labels, because I saw a fifth the other night which was labeled "Straight bourbon whisky. Bottled in Peoria." Notice, if you please, I said, "I saw it."

Mr. O'CONNOR. But I would advise the gentleman against drinking it.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. FITZPATRICK. The gentleman spoke of the Whisky Trust. Does not the gentleman think the best way to break the Whisky Trust would be to admit liquor from foreign countries free of duty?

Mr. O'CONNOR. I am for that, and have consistently fought for it. I hope our Ways and Means Committee speedily brings in a bill repealing the tariff on whiskies.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. BLANTON. If the gentleman will permit, I may say that I think the gentleman from New York is becoming a most valuable watchman on the tower.

Mr. O'CONNOR. I have been fighting a long time as hard as lies within my power to protect the public against rotten liquor, and against the breweries and the Whisky Trust. The gentleman from Texas and I do not differ much when it comes down to brass tacks. We are faced with the situation where the prohibition amendment has been repealed and we must protect the American people against the possible bad results of repeal.

Now, there are two things I should like to see done in this bill. I have talked about the first. The first is whether the committee will accept an amendment in line 7 adding the words "or class E." This would restrict drug stores to selling liquor on prescription.

I should like to know whether the committee feels so inclined. I do not think it was the intent of Congress to give to drug stores the right to sell all kinds of liquor promiscuously, and display it on their shelves. Here is what will happen: They will have blended liquors on their shelves; a person will come in with a prescription; by reason of the difference in price between bonded whisky and blended whisky they will try to influence that person to buy the blended whisky instead of the whisky they should get under the prescription. It is not right.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. DIRKSEN. With respect to this influence of which he speaks, may I ask the gentleman how many times he has been influenced by persuasive salesmen of drug stores to change from spirituous frumenti to blended whisky?

Mr. O'CONNOR. None, because I have never bought whisky, blended or straight, in a drug store. I think that's sneaky.

Mr. DIRKSEN. And how many instances are there like that?

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. If the committee will not accept this amendment I think they will be acting contrary to the intent and purpose of Congress when it passed the District of Columbia liquor-control bill.

When I learned that drug stores were to get a license in addition to the ordinary druggists' license, I wrote the Commissioners on January 30 of this year as follows:

JANUARY 30, 1934.

COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
District Building, Washington, D.C.

DEAR SIR: It has been brought to my attention that some druggists in the District are proceeding on what they call an "interpretation" by someone allegedly representing your board, that druggists are eligible to receive retailer's licenses, class "A" and/or "B", under subsections (2) and (f) of section 11 of the District of Columbia Liquor Bill in addition to retailer's license, class "E" under subsection (i) of that section. In other words, their understanding is that not only may they receive a license to sell "beverages for medicinal purposes", and under the conditions prescribed in subsection (i) but they may also sell the beverages "for consumption off the premises" without prescription.

Permit me to point out respectfully to you that such was never the intent of Congress as evidenced by the debate in the House of Representatives during the consideration of the bill. By reason of the amendment offered by me to the effect that druggists could fill prescriptions for liquors only under the definitions of the U.S.P., and by the other debates, it was the clear understanding that druggists would be restricted to filling prescriptions within the limit of subsection (i). It was never intended that a drug store be turned into a liquor store where liquors might be sold for beverage purposes in addition to medicinal purposes—nor is there any need for the issuance of such licenses. The public will be able to get all the liquor it needs for beverage purposes from the liquor stores.

If you or your Board feel there is any doubt about the question which might compel you to issue these additional licenses to druggists, permit me to suggest that you propose certain amendments to clarify the act in addition to the amendments suggested in the report of the Attorney General under date of January 22, 1934.

Incidentally, if it be true that section 15 of the bill excludes all stores, including drug stores, from obtaining any retail licenses in any residential district, it should be changed so that drug stores in such a district may obtain a license under subsection (i), and possibly established grocery stores should be permitted to obtain a license under subsections (e) and (f).

Respectfully yours,

The acting corporation counsel answered me, and he agreed that what I said appeared to be the intent of Congress; but he pointed out that Congress overlooked a little provision in the law that licensees under sections (a), (b), (e), or (i) could also get licenses under another section. There was so much confusion about the numbers of the sections that we never noticed it at the time.

Mrs. NORTON. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. May I say to the gentleman that we had the corporation counsel present when this bill was reported out of the committee, and it was entirely with his approval.

Mr. O'CONNOR. This particular bill?

Mrs. NORTON. Yes.

Mr. O'CONNOR. That does not influence me at all. I am sorry the committee will not accept this amendment.

Here is the other vicious thing about the bill. This House by deliberate action and after thorough consideration practically unanimously compelled the labeling of all blended liquors. The amendment was introduced by the gentleman from Michigan [Mr. WEIDEMAN]. This present bill in its

last provision now repeals section 36 of that act, the labeling provision. May I say, and I say this advisedly, that there is less law enforcement in the District of Columbia than in any community of the same proportions in the United States of America? We passed that law, and the authorities have never enforced it, and they do not intend to enforce the law. You cannot get Mr. Campbell, of the Pure Food and Drug Administration to enforce anything. For 6 months I have been trying to get him to enforce this law. Here is a provision, unanimously adopted by the House, that the bottle shall be labeled as to what is in it, and yet the last line of this bill repeals section 36 of that act. What can we do? If we cannot amend the bill, the only thing to do is to vote down the bill.

Mr. BLANTON. But the gentleman may offer an amendment.

Mr. O'CONNOR. I cannot offer an amendment without the permission of the chairman of the committee.

Mr. BLANTON. The gentleman can do that now. He has the floor.

Mr. O'CONNOR. I did not get the floor for the purpose of offering an amendment, and I do not propose to take advantage of the courtesy of the lady.

Mr. BLANTON. Any Member here can offer an amendment to the bill. I am sure the gentlewoman from New Jersey would not have her bill wrecked by preventing the gentleman from New York offering these two salutary amendments, and I think they are salutary. I believe the House will back the gentleman from New York in this matter.

Mrs. NORTON. Does the gentleman know that section 36 was repealed at the express wish of the Attorney General? That such recommendation was contained in a communication from the President to the Congress?

Mr. O'CONNOR. No. I know what the gentlewoman means. Mr. Joseph H. Choate recommended it, not the President or the Attorney General.

[Here the gavel fell.]

Mr. GOSS. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 5 minutes.

Mrs. NORTON. Mr. Speaker, reserving the right to object. While I do not like to object, it is a fact that we have lost a considerable part of our day. We have a great many bills on the calendar and while I shall not object to this particular 5 minutes, I may protest against granting extensions of time during the rest of the afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, Mr. Joseph H. Choate, head of the Federal Alcohol Board, now extinct, stated to the President that he was going to adopt some sort of a uniform label law. This has not been done, but will have to be done in each jurisdiction, State, or district of the United States. Striking out the labeling provision, in my opinion, permits the sale of blended liquor to people who are sick. One-year-old children are prescribed whisky in pneumonia cases. Ninety-nine-year-old people, I am told by doctors, will be killed if the whisky prescribed them is not aged in wood 4 years. There is no request from the Attorney General against the labeling provision. The President of the United States merely transmitted to Congress what Mr. Choate, a lawyer in New York, said, but Mr. Choate does not know one tenth as much about the whisky business as the gentleman from Illinois, who represents the greatest whisky district in the world.

Mr. O'MALLEY. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. The gentleman is an expert on liquor?

Mr. O'CONNOR. In some respects, I know about it, but in no respect am I an expert.

Mr. O'MALLEY. Would the gentleman consider a concoction composed of 45 percent alcohol and 55 percent distilled water a blended whisky?

Mr. O'CONNOR. I know nothing about the manufacture of whisky.

Mr. O'MALLEY. They are still selling that in the District without a label.

Mr. BLANTON. The gentleman from New York has an erroneous impression about his rights in connection with such a bill as this. This is a bill considered in the House as in Committee of the Whole. The gentleman has a right to move to strike out the last word, the last two words, the last paragraph, or the enacting clause and to offer any amendment he desires to offer. The Chairman or no one else can keep him from doing that.

Mr. O'CONNOR. I thank the gentleman for his parliamentary advice.

Mr. BLANTON. We want to vote with the gentleman on both of his amendments.

Mr. O'CONNOR. I realize I can defeat a committee amendment, but I do not think I can secure the enactment of either of these two amendments except by permission of the committee or by filibuster methods, which I would not indulge in and have never indulged in.

I think the committee should permit these two amendments in order to keep the drug stores as they should be and to make them label bottles in a manner that we will know what is in them.

Mr. BLACK. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from New York.

Mr. BLACK. What is the gentleman's understanding as to the exact situation in regard to the uniform labeling idea?

Mr. O'CONNOR. It is just a lot of talk. It has not been put into effect.

Mr. BLACK. Nothing going on at all?

Mr. O'CONNOR. Nothing. Mr. Choate's board is not in existence. If you want to protect the people of the District of Columbia from false labels, section 36 of the act should not be repealed.

Mr. TRUAX. It is not only the effect on the people of the District of Columbia, but also our constituents who come in here from all over the country.

Mr. O'CONNOR. They need more protection than the people living in the District.

Mr. TRUAX. The gentleman spoke about the effect of blended whisky on babies and old people. What about those in between?

Mr. O'CONNOR. After a period of 60 years it may be harmful.

Mr. TRUAX. Does not the gentleman think he ought to waive some of this past procedure and offer his amendment?

Mr. O'CONNOR. I hope the committee will accept these amendments.

Mr. BLACK. I think the committee might be inclined to accept the second amendment, but we cannot accept the first one.

Mr. O'CONNOR. Why not restrict the drug store to selling liquor on prescription?

Mr. BLACK. I will tell the gentleman why. This bill comes in as a result of the President's message when he announced his signature to the District of Columbia liquor bill.

Mr. O'CONNOR. The President's message does not say anything about drug stores being rum shops. I have his message before me now.

Mr. BLACK. This bill was drawn primarily as a result of the President's message, and I am far from being a Presidential spokesman. As between the gentleman who now has the floor and myself, I have no standing as a Presidential spokesman.

Mr. GOSS. I understand the committee has accepted one amendment?

Mr. BLACK. We will accept the amendment as to labeling, but we cannot accept the other amendment or we will have no bill.

Mr. O'CONNOR. Of course, you will have a bill, and you will have just as good a bill. The primary purpose of this bill is expressed by section 2 to take care of the solicitor, and the next purpose is to provide that no distiller and no brewer can hold a retail license. All I ask you to do is to

go one step further and say that no drug store can hold a retail license in order to prevent the sale of this blended stuff. What could be the objection to this? I have not heard any objection to it.

Mr. BLACK. There is no good reason why he should not sell it.

Mr. O'CONNOR. Yes; I have pointed out the danger. A person goes into one of these drug stores with a prescription from a doctor and he tries to sell this blended stuff that he has on his shelf under his retail license, out of which he gets more money. He should not be in the liquor business.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I insist that the bill be read under the 5-minute rule for amendment.

Mrs. NORTON. Mr. Speaker, the committee will accept the amendment.

Mr. BLACK. The committee will accept both amendments. [Applause.]

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. O'CONNOR. Mr. Speaker, I offer an amendment Page 2, line 7, add the words "or class E."

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: On page 2, line 7, at the end of the line, insert "or class E."

Mr. DIRKSEN. Mr. Speaker, I rise in opposition to the amendment.

Let me say that it is not necessary to be unduly disturbed about the eloquence of the gentleman from New York on this matter, for, after all, the essence of the thing is simply this: This does not make it mandatory upon any drug store to sell blended liquor to anybody. It does not make it mandatory to sell blended liquor upon a prescription. It simply says, in effect, that they shall have the same privilege that is being exercised by a liquor store. Under existing law, a prescription calling for blended liquor cannot be filled at a drug store.

Now, the fact is that if a prescription calling for blended liquor got into the hands of anyone—

Mr. PALMISANO. If the gentleman will yield, I think the gentleman is in error. I believe the gentleman is discussing now his own bill.

Mr. DIRKSEN. I am alluding to the general danger pointed out by the gentleman from New York [Mr. O'CONNOR].

Mr. BLACK. The gentleman is laying the foundation for his attack.

Mr. DIRKSEN. Exactly. Where can there be any danger in conferring upon them the same privileges that are now exercised by the liquor stores? You go to a doctor to get a prescription and if he writes on that prescription "blended liquor" you can go to a liquor store, under the present bill, but you cannot go to a drug store and get that prescription for blended liquor filled.

Mr. O'CONNOR. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. O'CONNOR. Can the gentleman imagine that any physician of repute would violate the formula in the United States Pharmacopœia and prescribe a blended liquor?

Mr. DIRKSEN. The gentleman from New York proceeds on the theory that blended liquor is poisonous and harmful. I venture to say that 90 percent of all the liquor that is being consumed now is blended liquor and that it is not harmful except that it will cause intoxication. Have you heard of any deaths from poison liquor since we have had blended liquor on the market?

Mr. KRAMER. How does the gentleman from Illinois know it is not poison? Does the gentleman ever drink any of it?

Mr. DIRKSEN. Do I drink any of it?

Mr. KRAMER. Yes.

Mr. DIRKSEN. That is a very personal question, but I may say to the gentleman from California that I have tasted it. You see it is no longer felonious to take a drink.

Mr. KRAMER. Then how does the gentleman know it is blended, outside of the label?

Mr. BLACK. The gentleman is still alive.

Mr. DIRKSEN. I admit the impeachment.

Mr. KRAMER. In other words, the gentleman is a good judge of good liquor.

Mr. FITZPATRICK. Is the gentleman in favor of having the Liquor Trust that sold a case of liquor formerly for \$35 now charging \$70 for the same liquor?

Mr. DIRKSEN. You can still get liquor for \$30 per case. I do not know a thing about the Liquor Trust, although I have heard these allegations about a whisky trust quite often. Maybe there is a whisky trust, but if there is it has not come to my attention.

Before my time expires I want to get back to the statement of the gentleman from New York [Mr. O'CONNOR] and simply say with respect to this bill that drug stores have a heavy capital investment and are you going to let these mushroom liquor stores in the District come along and take away a good share of the business that is so necessary at the present time to sustain the heavy investment that these men have made? So far as the danger is concerned that is mere talk. The druggist can have blended liquor or he can have spiritus fermenti on the shelf to meet the purse and the requirements of all. I doubt if there is ever going to be any insidious persuasion on the part of a drug clerk to make somebody accept blended liquor in place of spiritus fermenti. You are simply conferring upon the drug stores the same rights that are being enjoyed now by all the liquor stores in the District of Columbia, and in view of the fact they have such an investment, why not give them a chance to make out on their investment, the same as anybody else? I think this emphatically disposes of the danger that has been brought up by the gentleman from New York.

Mr. FITZPATRICK. Do any of the business establishments receive doctors' prescriptions except the drug stores?

Mr. DIRKSEN. The gentleman means, do they take prescriptions to some other place?

Mr. FITZPATRICK. I mean do they go into some other kind of liquor store? As I understand it, people do not go with prescriptions to a liquor store.

Mr. DIRKSEN. Perhaps not, and yet the difference in price between blended liquor and spiritus frumenti may persuade the man of slender means to purchase liquor at a liquor store when he should go to a drug store, and under existing law he cannot do so now.

Mr. FITZPATRICK. Would it not be safer if they could not have any of the blended liquor?

Mr. DIRKSEN. The discussion on this matter has been a most futile business. We bring in a bill amending the District liquor law to permit drug stores to sell blended liquor on a physician's prescription where the prescription calls for liquor. It simply confers a right. It enjoins no physician to do so. It empowers no druggist to substitute blend for spiritus frumenti, or aged whisky. Yet for sentimental and unsubstantial reasons you are afraid that a sick person may be poisoned if this authority is conferred upon a druggist. I should rather see a druggist, who is presumed to know something about the composition of liquor, have this right than to permit it to be exercised by a liquor store.

Mr. PALMISANO. Mr. Speaker and fellow Members, this is the first time since I have been a Member of the House and a member of the District Committee that I have taken the floor to ask the House to reject the committee's report.

For the last month or so I have been acting chairman of the committee, because Mrs. Norton, unfortunately, has had sickness in her family.

On Wednesday last we had a regular hearing. On Thursday, in order to draw some bills, I called a special session of the committee. The gentleman who represented chain drug stores requested me particularly on Wednesday not to bring the bill up before the committee on Thursday.

On Thursday, unfortunately, I was 15 seconds late and missed the train. On that day the House met at 11 o'clock a.m. Mrs. Norton came back that day, having been absent about a month, as I say, on account of sickness in her family,

and, to my surprise, when I got here I found that the bill had been reported out that morning. In other words, the Representative who asked me not to report the bill took advantage of my absence and had it reported out. I want to say that Mrs. Norton knew nothing about it.

Mrs. NORTON. What bill is the gentleman discussing? This is not the bill he objects to.

Mr. PALMISANO. Yes. Under the present law no concern except a bona fide hotel, in existence at the time when the liquor bill was passed, can have more than one license. Now, the chain stores in the District of Columbia can obtain only one license. What they want is to have a license in every store so that they may monopolize all liquor business in the District. Now, you want to take this in connection with the bill that will follow this.

Mr. O'CONNOR. The bill that will follow this should stand or fall by this bill, because that permits drug stores to fill prescriptions with blended liquor.

Mr. PALMISANO. I call attention to the two bills. The law provides that the drug stores today can sell straight liquor on prescription with a \$25 license. If they do not prefer that license, they can obtain a regular liquor license to sell blended liquor or anything they please. Now, the bill that will follow this will permit them to fill prescriptions of blended liquor on a \$25 license.

I want to call attention to the testimony of a gentleman who appeared before our committee. His name was Hege. I quote from the hearings:

Mr. WEIDEMAN. Don't you think that some of these blends they are selling are terrible?

Mr. HEGE. I do; I heard Dr. Linder testify in effect at a hearing at the Mayflower Hotel that some of the blended whiskies consisted of the dumping into a 50-gallon barrel of 24 gallons of water, 24 gallons of alcohol, 1 gallon of straight rye whisky, coloring, and flavoring substances.

I say with all due respect that any drug store or any doctor who prescribes liquor of that kind should be put out of business. For years we have had a chain drug store proposition.

Now, the so-called "independent grocers", and the chain drug stores are getting together and want to freeze out the poor little fellow who is not tied up with either of them.

In Baltimore city the Read's Drug Stores have 27 licenses. It is like a gasoline station. They grab up all of the prominent corners of the city and then sell their wares at cut-rate prices. In Baltimore they are putting everyone out of business by selling liquor that the individual dealer must buy at \$1.10 per pint for \$1.12, which necessarily brings on a violation of the law by the little fellow, who wants to do the right thing and abide by the law. We should let every man who obtains a license, and who will abide by the law, have a chance to make a living, and we should not permit a chain combination to undersell him in any respect. When they put the little fellow out of business, you will find that they will go back to the price and get the profit.

Mr. TRUAX. Mr. Speaker, I move to strike out the last two words. I think a great many people thought as I did when we originally passed the liquor bill for the District of Columbia, that the gentleman from New York [Mr. O'CONNOR] was somewhat visionary when he advocated a tax of \$5 a gallon on whisky. I for one have begun to believe that the gentleman from New York was right.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. Yes.

Mr. O'CONNOR. If the gentleman will permit, the net result of the defeat of my amendment has been that the Government has lost some money and the distillers have it in their pockets.

Mr. TRUAX. Quite true, and today you have to pay \$3 and \$3.50, \$4 and \$4.50 for a pint of good bonded whisky, which means \$8 and \$9 a quart, or \$32 and \$36 a gallon. You could buy this same brand of goods before we repealed prohibition on a prescription from a drug store for from \$2.50 to \$3 and \$3.50 a pint. There is one thing clearly evident, and that is there is a Whisky Trust in this country, that is receiving millions and millions of dollars every week that we sell liquor.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. Yes.

Mrs. NORTON. Does the gentleman not think that by allowing whisky to be sold freely as in the chain stores and drug stores, the competition that would ensue would naturally bring down the price of liquor? I believe that a great deal of what the gentleman says is true. I think the American people have been put in a very strange position by the Whisky Trust in this country, but does the gentleman not think that allowing it to be sold in chain stores and drug stores will help that situation?

Mr. TRUAX. In my judgment it would not, because of the fact that the food chains today, the A. & P. and Kroger stores, of which we have 7,000 in Ohio and Indiana, operate without any competition between them at all. They have agreements, they have fixed price schedules, and when you consider the short weights and the short measures that they use in many instances the price of their food is no lower than that which is retailed by the home merchants. It would only fortify and make stronger the trust that is now handling the liquor of this country.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. Yes.

Mr. FITZPATRICK. The bootleggers before the repeal of prohibition were mere pikers as compared with the Whisky Trust today.

Mr. TRUAX. That is true. We all said that we were going to free this country from the bootlegger, that we were going to bring down the price of liquor and make it easy and possible for every one who wanted a drink to buy good liquor cheaply. I repeat the statement I made when we passed that bill, that our New Straitsville moonshine liquor in Ohio is better liquor today than you can obtain for twice the price here.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. Yes.

Mr. O'MALLEY. It has been suggested that perhaps by letting this liquor into chain stores it would bring down the price by competition. A price war is illegal under the N.R.A. How, then, could that be accomplished?

Mr. TRUAX. It would only make it possible to maintain these present high prices, and to send all the money derived from liquor sales into Wall Street. Your A. & P. stores are owned by Wall Street capital, and the Kroger stores are owned by Lehman Bros., Wall Street bankers in New York.

Mr. O'CONNOR. And the headquarters of the Whisky Trust is at no. 52 Williams Street, in Kuhn-Loeb's building.

Mr. TRUAX. I thank the gentleman for that information. These are some of the rich income-tax evaders that ought to be strung up and 90 percent of their wealth taken away from them.

Now, there is no competition in the liquor trade. Let us not be fooled by anyone on that. Whether you buy blended liquor in the drug store or the liquor store, the price is the same. Whether you buy bonded whisky in the drug store or the liquor store, the price is the same. When you go to get liquor you pay the same price no matter where you go. I speak not from my own experience, but from what I have learned from listening to the gentleman from New York on the floor of this House. Really good imported liquors, such as Haig & Haig and Johnny Walker are beyond the reach of the average man's purse. It is a most distressing situation today, Mr. Speaker, that the great American people, who were led into repealing prohibition by their votes, first, cannot buy liquor at a reasonable price. The American people were the first to repeal prohibition and then Congress came to see the light, and repealed it. Now we have given the American people what? We have given them a sham and a fraud, and we are giving the real benefits and the real revenues to the giants of finance down in New York, who have grabbed off everything we eat, who have grabbed off everything we wear, and who are now grabbing off everything that we drink.

I am heartily in accord with the amendment offered by the gentleman from New York [Mr. O'CONNOR] and I want to praise the gentlewoman from New Jersey [Mrs. NORTON] for accepting the amendment. I hope it will be passed by the Members of this House without a dissenting vote.

I want to say a word for my friend from Illinois [Mr. DIRKSEN]. From my personal knowledge I will say to the gentleman from New York that they do sell down here what is known as straight 100-percent proof Bourbon, distilled in Peoria, Ill., and it is not bad, and you can buy a fifth for \$1.75.

Mr. KRAMER. Will the gentleman yield?

Mr. TRUAX. I yield.

Mr. KRAMER. The gentleman means the label reads "100 percent"?

Mr. TRUAX. The label reads "100 percent."

Mr. KRAMER. But the liquor is not 100 percent?

Mr. TRUAX. I would not be too sure about that.

Mr. DIRKSEN. Will the gentleman yield?

Mr. TRUAX. I yield.

Mr. DIRKSEN. The gentleman speaks constantly of the Whisky Trust. Is the gentleman familiar with the fact that the code for the distillers makes it impossible to enlarge the distilling capacity of this country beyond what it was on the 5th day of December 1933? You stopped them from making whisky so that the price would go up. Your administration, the Democratic administration, has brought that about, and has placed the stamp of approval upon a code that seeks to keep intact only those distillery properties that were in operation or under the process of construction on the 5th of December 1933.

Mr. TRUAX. Oh, we might stop them from distilling it, but we did not stop them from blending this rotten stuff that they are racketeering with. [Applause.]

The SPEAKER. The time of the gentleman from Ohio [Mr. TRUAX] has expired.

The pro forma amendments were withdrawn.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. O'CONNOR].

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. Section 36 of such act is hereby repealed.

Mr. O'CONNOR. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 2, line 14, strike out section 4.

The amendment was agreed to.

Mr. DIRKSEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 2, line 13, after the word "act" add: "Except that insofar as said section affects retailer's license, class B, it shall become effective upon the approval of this act."

Mr. O'CONNOR. Mr. Speaker, I rise in opposition to the amendment to ask an explanation of it.

Mr. DIRKSEN. Simply that it makes the provision effective, insofar as beer is concerned, immediately, and as far as the other licenses are concerned, it does not become effective.

Mr. BLANTON. When the gentleman refers to "we", to whom does he refer?

Mr. DIRKSEN. I must have been speaking editorially. I am sorry.

Mr. BLANTON. The gentleman said "as far as we are concerned."

Mr. DIRKSEN. I said "as far as beer is concerned."

Mr. O'CONNOR. The proviso is that section 12 shall become effective 90 days after the approval of the act. What is the gentleman from Illinois trying to do?

Mr. DIRKSEN. The gentleman from Illinois is not trying to put anything over. He is simply trying to make this effective, as far as beer is concerned, at once, because it will give the brewers a chance to sell their wares during the summer season. Otherwise it would not become effective for 90

days, and the good beer season at that time would be at an end.

Mr. O'CONNOR. Well, I do not know about the reason for this great interest in the brewers. I would call the gentleman's attention to the history of the patriotism of the Brewers during the World War.

Mr. DIRKSEN. I presume next I will be hearing of a Brewers Trust in my district.

Mr. KRAMER. I do not believe it will have any effect in California, because we have warm weather there all the year round.

Mr. BLACK. This bill is not for California.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were ayes 3 and noes 23.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate insists upon its amendments to the bill (H.R. 8471) entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1935, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COPELAND, Mr. HAYDEN, Mr. SHEPPARD, Mr. STEPHENS, Mr. TOWNSEND, and Mr. CAREY to be the conferees on the part of the Senate.

B STREET SW., DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 194) to change the name of B Street SW. in the District of Columbia, and ask its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That in honor of the Declaration of Independence of the United States of America, the thoroughfare now known as "B Street southwest", running west from South Capitol Street in the District of Columbia, and as it may at any time be extended, widened, or otherwise changed, shall hereafter bear the name "Independence Avenue."

Passed the Senate February 6, 1934.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMPLOYERS' LIABILITY INSURANCE

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 1820) to amend the Code of Law for the District of Columbia, and ask its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That subchapter 5 of chapter XVIII of the Code of Law for the District of Columbia be amended by adding thereto a new paragraph reading as follows:

"Every insurance corporation or association authorized to transact business in the District of Columbia, which insures employers against liability for compensation under the Employees' Compensation Act, shall file with the Superintendent of Insurance its manual of classifications and underwriting rules, together with basic rates for each class, and also merit rating plans designed to modify the class rates, none of which shall take effect until the Superintendent of Insurance shall have approved the same as adequate and reasonable for the group of risks to which they respectively apply. The Superintendent of Insurance may withdraw his approval of any premium rate or schedule made by any insurance corporation or association, if, in his judgment, such premium rate or schedule is inadequate or unreasonable: *Provided*, That upon petition of the company or association or any other party aggrieved the opinion of the Superintendent of Insurance shall be subject to review by the Supreme Court of the District of Colum-

bia: *Provided further*, That any petition for review shall be filed with said court within 30 days after the rendition of opinion by the Superintendent of Insurance."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DEGREE-CONFERRING INSTITUTIONS

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 193) to amend section 586c of the act entitled "An act to amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia relating to degree-conferring institutions", approved March 2, 1929, and ask its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 586c of the act entitled "An act to amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia relating to degree-conferring institutions", approved March 2, 1929, be, and the same is hereby, amended by adding at the end of such section the following: "*Provided*, That no institution heretofore incorporated under the provisions of this act, and carrying on its work exclusively in any foreign country with the consent and approval of the government thereof, shall if otherwise entitled to be licensed by the board of education, be denied the same solely because of the inclusion in its name and as descriptive of its origin of any of the specific words the use of which is by this section forbidden to incorporations under the provisions of this act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MUTUAL FIRE INSURANCE CO. OF THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H.R. 7090) to amend an act to incorporate the Mutual Fire Insurance Co. of the District of Columbia, as amended, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to substitute for the House bill, Senate bill S. 2357, to amend an act entitled "An act to incorporate the Mutual Fire Insurance Co. of the District of Columbia", as amended.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That sections 2 to 9 of the act entitled "An act to incorporate the Mutual Fire Insurance Co. of the District of Columbia", approved January 10, 1855 (10 Stat. 836), as amended April 12, 1866 (14 Stat. 32, ch. 41), March 25, 1870 (16 Stat. 80, ch. 35), June 14, 1878 (20 Stat. 132, ch. 195), and July 5, 1884 (23 Stat. 155, ch. 233), are hereby amended to read as follows:

"Sec. 2. The purpose and designs of this corporation shall be to insure the property of the members thereof against loss or damage by fire, lightning, sprinkler leakage, cyclone, tornado, windstorm, and hail; to insure glass against breakage; to insure the loss of use and occupancy and rents of buildings when such loss is caused by fire, lightning, cyclone, tornado, windstorm, and hail; to insure automobiles and other vehicles, and other property, against loss or damage by fire, theft, transportation, explosion, and collision; to insure against the loss of property by burglary, theft, robbery, larceny, and forgery; to insure against loss or damage by any other hazard upon any risk which is not prohibited by statute or at common law from being the subject of insurance by a fire-insurance company but not including loss or damage by reason of bodily injury to the person, nor shall such corporation do a life-insurance or fidelity or surety business; and to cede and accept reinsurance upon the whole or any part of any risk; and to have and exercise all the general powers of corporations organized under the laws of the District of Columbia, insofar as they relate to mutual fire-insurance companies: *Provided, however*, That said corporation shall forever be conducted for the mutual benefit of its members, and not for profit; and, as to its business transacted in the District of Columbia or in any State or other jurisdiction in which it is licensed, shall be subject to all laws of such District, State, or other jurisdiction governing mutual fire-insurance companies.

"Sec. 3. The policies hereafter issued by said corporation shall provide for a premium or premium deposit payable in cash with-

out premium note, and, except as herein provided, for a contingent premium at least equal to the premium or premium deposit: *Provided*, That said corporation may issue policies without additional contingent liability of its members whenever it has a surplus of assets over all its liabilities of \$100,000, or more.

"Sec. 4. All persons who shall hereafter insure with said corporation; and their heirs, executors, administrators, and assigns continuing to be insured by said corporation, shall thereby become members thereof during the period they shall remain insured by said corporation and no longer. Any public or private corporation, board, association, or estate may hold policies in the corporation. Any officer, director, trustee, or legal representative of such corporation, board, association, or estate may be recognized as acting for or on its behalf for the purpose of membership in this corporation, but shall not be personally liable upon such contract of insurance by reason of acting in such representative capacity. The right of any corporation, board, association, or estate to participate as a member of this corporation is hereby declared to be incidental to the purpose for which such corporation, board, association, or estate is organized and as much granted as the rights and powers expressly conferred.

"Sec. 5. The annual meeting of the members of said corporation shall be held at such time and place as provided in the by-laws. It shall be the duty of the president to call a special meeting of the corporation upon the written request of 20 members. Each member shall have 1 vote for each risk held by him on all matters properly before any meeting of the members.

"Sec. 6. The affairs of said corporation shall be conducted by a board consisting of seven directors or such greater number as may be authorized by the bylaws, selected from the members, to be elected by ballot at annual meetings of the members, for terms not exceeding 3 years, as fixed by the bylaws, and to continue in office until their successors are chosen. The board of directors shall have full power to make and prescribe such by-laws, rules, and regulations as they shall deem needful and proper for the elections herein provided and for the conduct and management of the business, funds, property, and effects of the company, not contrary to this act or to the laws of the United States, and they shall have power to alter or amend the same as the interests of the company, in their opinion, may require. Not less than a majority of the directors shall be a quorum to do business, but a less number may adjourn from time to time. Vacancies happening in the board may be filled by the remaining directors for the remainder of the term for which they were elected. The board shall choose one of their number as president, and appoint a secretary and treasurer and such other officers as may be necessary for conducting the affairs of said corporation. The persons now acting as managers shall continue as the board of directors until the next annual meeting after the passage of this act, and thereafter until their successors are duly chosen.

"Sec. 7. It shall be lawful for said company to invest and reinvest all moneys received by it in such manner, consistent with the laws of the District of Columbia relating to mutual fire-insurance companies, as the directors deem best for the interests of the company, and to acquire, hold, and sell real estate necessary or convenient for the transaction of its corporate business.

"Sec. 8. Nothing herein contained shall be construed to affect or impair in any manner whatsoever any vested right or interest in or under any existing contract of the company.

"Sec. 9. The right to alter, amend, or repeal this act is hereby expressly reserved."

Sec. 2. Sections 10 to 16, inclusive, of the said act of January 10, 1855 (10 Stat. 836), as amended April 12, 1866 (14 Stat. 32), March 25, 1870 (16 Stat. 80), June 14, 1878 (20 Stat. 132), and July 5, 1884 (23 Stat. 155), and said Act of July 5, 1884 (23 Stat. 155), are hereby repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

DELLA D. LEDENDECKER

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 2006) for the relief of Della D. Ledendecker and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Commission on Licensure to Practice the Healing Art in the District of Columbia is hereby authorized to license Della D. Ledendecker to practice chiropractic in said District under the provisions of the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929, notwithstanding the provision therein requiring applications from candidates for licenses to practice chiropractic to be filed within 90 days from the date of the approval of said act, and on condition that said Della D. Ledendecker shall otherwise be found by said commission to be qualified to practice under the provisions of said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMATEUR BOXING

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 828) to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes, and an amendment will be offered striking out all after the enacting clause and inserting the provisions of the bill H.R. 1607, as amended.

Mr. BLANTON. Mr. Speaker, reserving the right to object, does not this bill create another expensive commission in the District of Columbia?

Mr. BLACK. It is a self-sustaining commission.

Mr. BLANTON. Does it not provide for three high-salaried commissioners and does it not provide for a lot of paid employees?

Mrs. NORTON. I believe the gentleman must be in error, because the bill does not provide for any salaried commission.

Mr. BLANTON. Is not this the bill which provides for a salaried boxing commission?

Mrs. NORTON. This is the bill, H.R. 1607, to permit amateur boxing.

Mr. BLANTON. It is not the one that creates a salaried boxing commission?

Mrs. NORTON. Absolutely not a salaried commission.

Mr. BLANTON. And it creates no salaried offices of any kind?

Mrs. NORTON. None. It creates a boxing commission, but the commissioners serve without salary.

Mr. BLANTON. There is no salary connected with the bill?

Mr. HARTLEY. No salary whatsoever.

Mr. BLANTON. Then the commissioners who are to be appointed under the terms of this bill are to serve without salary?

Mr. HARTLEY. That is right.

The SPEAKER. The Clerk will report the Senate bill. The Clerk read the Senate bill, as follows:

Be it enacted, etc., That whoever shall, in the District of Columbia, voluntarily engage in a pugilistic encounter shall be imprisoned for not more than 5 years. By the term "pugilistic encounter", as herein used, is meant any voluntary fight by blows by means of fists or otherwise, whether with or without gloves, between two or more men for money or anything of value except a suitably inscribed wreath, diploma, banner, badge, medal, or timepiece, not exceeding the value of \$35 or upon the result of which any money or anything of value is bet or wagered, or to see which an admission fee of more than \$2 is directly or indirectly charged.

Sec. 2. (a) There is hereby created for the District of Columbia a boxing commission, to be composed of three members appointed by the Commissioners of the District of Columbia, one of whom shall be a member of the police department of the District of Columbia. No person shall be eligible for appointment to membership on the commission unless such person at the time of appointment is and for at least 3 years prior thereto has been a resident of the District of Columbia. The terms of office of the members of the commission first taking office after the approval of this act shall expire at the end of 2 years from the date of the approval of this act. A successor to a member of the commission shall be appointed in the same manner as the original members and shall have a term of office expiring 2 years from the date of the expiration of the term for which his predecessor was appointed, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The members of the commission shall receive no compensation for their services. The Commissioners of the District of Columbia shall furnish to the boxing commission such office space and clerical and other assistance as may be necessary.

(b) Subject to the approval of the Commissioners of the District of Columbia, the commission shall have power (1) to cooperate with organizations engaged in the promotion and control of amateur boxing; (2) to supervise and regulate amateur boxing within the District of Columbia; and (3) to make such orders, rules, and regulations as the commission deems necessary for carrying out the powers herein conferred upon it.

(c) No person shall hold a boxing exhibition in the District of Columbia without a permit from the commission, but the commission shall not issue any such permit except to a club, university, college, school, or other organization or institution which the commission finds is interested in the promotion of amateur ath-

letics. Each such permit shall be limited to a period of 1 day, except that in case of any interscholastic boxing meet or similar contest a permit may be issued for the duration of such meet or contest. No such permit shall be issued to any person unless such person agrees to accord to the commission the right to examine the books of accounts and other records of such person relating to the boxing exhibition for which such permit is issued, and such permit shall so state on its face. A permit may be revoked at any time in the discretion of the commission.

(d) No individual shall engage in any boxing exhibition in the District of Columbia without a license from the commission. Such license shall entitle the licensee to engage in amateur boxing exhibitions in the District of Columbia for the period specified therein, but the commission shall not issue any such license to any individual if the commission finds that such individual has at any time or place engaged in any professional prize fight or in any boxing exhibition for which he received money as compensation or reward, and the commission shall revoke any such license if at any time, after notice and hearing, it makes such finding in respect of the licensee, and may revoke any such license at any time for violation by the licensee of any order, rule, or regulation of the commission, or for other cause.

(e) Any permit or license issued by the board shall not be valid for the purpose of holding or engaging in, respectively, any boxing exhibition which does not conform to the following conditions: (1) Such exhibition may consist of one or more bouts, but no such bout shall continue for more than four rounds; (2) no round shall exceed 3 minutes; (3) there shall be an interval of 1 minute between each round and the succeeding round; and (4) each contestant shall use gloves of not less than 8 ounces each in weight.

(f) The commission may charge for permits and for licenses such fees as will, in its opinion, defray the cost of issuance thereof and other necessary expenses of the commission.

(g) Any person who (1) holds any boxing exhibition in the District of Columbia without a permit valid and effective at the time, or (2) engages in any boxing exhibition in the District of Columbia without a license valid and effective at the time, or (3) violates any lawful order, rule, or regulation of the commission shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned not more than 1 year, or both.

(h) The term "person", as used in this act, includes individuals, partnerships, corporations, and associations.

Mr. BLACK. Mr. Speaker, I offer an amendment striking out all after the enacting clause and inserting the House bill, as amended.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Strike out all after the enacting clause and insert the following:

(a) That there is hereby created for the District of Columbia a boxing commission to be composed of three members appointed by the Commissioners of the District of Columbia, one of whom shall be a member of the police department of the District of Columbia. No person shall be eligible for appointment to membership on the commission unless such person at the time of appointment is and for at least 3 years prior thereto has been a resident of the District of Columbia. The terms of office of the members of the commission first taking office after the approval of this act shall expire at the end of 2 years from the date of the approval of this act. A successor to a member of the commission shall be appointed in the same manner as the original members and shall have a term of office expiring 2 years from the date of the expiration of the term for which his predecessor was appointed, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The members of the commission shall receive no compensation for their services. The Commissioners of the District of Columbia shall furnish to the boxing commission such office space and clerical and other assistance as may be necessary.

(b) Subject to the approval of the Commissioners of the District of Columbia, the commission shall have power (1) to cooperate with organizations engaged in the promotion and control of amateur boxing; (2) to supervise and regulate boxing within the District of Columbia; and (3) to make such orders, rules, and regulations as the commission deems necessary for carrying out the powers herein conferred upon it.

(c) No person shall hold a boxing exhibition in the District of Columbia without a permit from the commission. Each such permit shall be limited to a period of 1 day, except that in case of any interscholastic boxing meet or similar contest a permit may be issued for the duration of such meet or contest. No such permit shall be issued to any person unless such person agrees to accord to the commission the right to examine the books of accounts and other records of such person relating to the boxing exhibition for which such permit is issued, and such permit shall so state on its face. A permit may be revoked at any time in the discretion of the commission.

(d) No individual shall engage in any boxing exhibition in the District of Columbia without a license from the commission. Such license shall entitle the licensee to engage in amateur boxing exhibitions in the District of Columbia for the period specified therein, and the commission may revoke any such license at any

time for violation by the licensee of any order, rule, or regulation of the commission, or for other cause.

(e) Any permit or license issued by the board shall not be valid for the purpose of holding or engaging in, respectively, any boxing exhibition which does not conform to the following conditions: (1) Such exhibition may consist of one or more bouts; (2) no round shall exceed 3 minutes; (3) there shall be an interval of 1 minute between each round and the succeeding round; and (4) each contestant shall use gloves of not less than 8 ounces each in weight.

(f) The commission may charge for permits and for licenses such fees as will, in its opinion, defray the cost of issuance thereof and other necessary expenses of the commission.

(g) Any person who (1) holds any boxing exhibition in the District of Columbia without a permit, valid and effective at the time, or (2) engages in any boxing exhibition in the District of Columbia without a license, valid and effective at the time, or (3) violates any lawful order, rule, or regulation of the commission shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned not more than 1 year, or both.

(h) The term "person", as used in this act, includes individuals, partnerships, corporations, and associations.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill to authorize boxing in the District of Columbia, and for other purposes."

JENNIE BRUCE GALLAHAN

Mrs. NORTON. Mr. Speaker, I call up the bill (H.R. 2035) for the relief of Jennie Bruce Gallahan and ask that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

Mr. GOSS. Mr. Speaker, reserving the right to object, may I call the gentlewoman's attention to line 4, where it says that the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated the sum of \$5,000. May I say that the Appropriations Committee are quite jealous.

Mrs. NORTON. This says "authorized."

Mr. GOSS. It says "authorized to pay out any money in the Treasury." I may say that this is a bill to pay a fireman's widow out of Federal money instead of out of District funds.

Mr. BLANTON. Will the gentleman yield?

Mr. GOSS. I yield to the gentleman from Texas.

Mr. BLANTON. This widow is now drawing a pension of \$60 a month, and this bill would give her an additional \$5,000.

Mr. GOSS. Out of the Federal Treasury.

Mr. BLANTON. This would establish one of the worst precedents that could be brought before this House.

Mr. GOSS. May I say to the gentlewoman that we have discussed this matter in the Appropriations Committee, especially the subcommittee of which I am a member, this morning. We have no objection to the legislative committees' reporting out bills that do not appropriate money, but we do object to the legislative committees' reporting out bills that do appropriate money, and that is why I call this to the gentlewoman's attention. I will have to object to this, but I would not object to an authorization.

Mr. BLANTON. This sets a bad precedent, and the bill should not be passed.

Mr. GOSS. If this is amended to purely an authorization I would not object.

Mr. BLANTON. I hope the distinguished gentlewoman from New Jersey will not call this bill up, because this is the kind of bill that ought to come through another committee. This is going to establish a bad precedent and will harass us hereafter.

Mr. GOSS. May I ask the gentlewoman if there is any good reason why this amount of money should be paid out of the Federal Treasury? Does not the gentlewoman feel this should be confined to District funds?

Mrs. NORTON. I do feel that way.

Mr. GOSS. I would have no objection if it is authorized and tied up in that way although I have not prepared an amendment. I did not know that this was coming up.

Mr. BLANTON. Does not the gentleman from New York want to protect the jurisdiction of his committee? This is a bill that should come through his committee.

Mr. BLACK. We rather came to the conclusion that the bill belonged to the District Committee.

Mr. BLANTON. It ought to come out of the District funds then. It should not come out of Federal funds.

Mrs. NORTON. There is no objection to that suggestion.

Mr. GOSS. I will prepare an amendment. I have not the amendment in front of me. If the gentlewoman will defer for a moment and call this up later, I will prepare an amendment.

Mr. O'CONNOR. Do claim bills of the District of Columbia go to the District of Columbia Committee?

Mr. BLACK. Some of them do and some of them do not. There does not seem to be any fixed rule. I have seen bills in the District Committee that I have met again in the Claims Committee.

Mr. BLANTON. They ought to go to the Claims Committee always.

Mr. BLACK. There was a bill that was taken up in the District Committee and then went to the Claims Committee.

Mrs. NORTON. This bill has been passed by the House on two different occasions.

Mr. O'CONNOR. As I understand the parliamentary situation, this is a private bill. It should have gone to the Claims Committee, but under our rules a Member may refer this type of bill himself. The Member must have referred this to the District of Columbia Committee.

Mr. PALMISANO. This has been considered by the District Committee.

Mrs. NORTON. This bill has been passed by the House on two different occasions.

Mr. GOSS. The bill appropriates Federal funds and not District funds.

Mr. BLANTON. I hope that the bill will not be called up, for I shall be compelled to oppose its passage.

Mrs. NORTON. Mr. Speaker, I withdraw the bill temporarily while an amendment is being prepared.

RACE TRACKS IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H.R. 7906) to license race tracks in the District of Columbia and provide for their regulation.

The Clerk read the title of the bill.

Mr. GOSS. Mr. Speaker, reserving the right to object, may I ask the gentlewoman a question? I notice on page 2, lines 15 to 18, these words: "The cost of any bond given by any member of the racing commission shall be taken to be a part of the necessary expenses of said commission and shall be payable by the District of Columbia."

I have taken the trouble to look up the law, and I find that all employees of the Federal Government as well as the District government are required to pay their own bond premiums except in this case. The payment by the Government of premiums on the bonds of Government employees or District employees is setting a new precedent.

Mr. BLACK. Here is a bond of \$50,000. The cost of the bond would be as much as the salary.

Mr. GOSS. The gentleman is talking about a penalty.

Mr. BLACK. No. I am talking about the premium on the bond.

Mr. GOSS. This says "The cost of any bond."

Mr. BLACK. This is the only bond required. This is a \$50,000 bond.

Mrs. NORTON. To which bill is the gentleman referring?

Mr. GOSS. H.R. 7906. The Appropriations Committee felt that this was an appropriation, because the cost of a bond given by any member of the racing commission was to be payable out of District funds, whereas in all other cases, as I was trying to point out, Federal and District employees who are bonded pay the premiums themselves. The Appropriations Committee felt this was an appropriation and is desirous again of having this bill limited to an authorization only. We are not opposed to these bills except insofar as they appropriate money.

Mr. BLACK. Is the gentleman opposed to the principle of the bill?

Mr. GOSS. No; but, as a matter of fact, I think this is a bill where the Commissioners are opposed to handling the matter in this way, according to the report.

Mr. BLACK. They were against the bill.

Mr. GOSS. Yes; and they were opposed to the provisions of this bill that allowed this bond money to be paid by the District instead of the individual.

Mr. BLACK. No; the District Commissioners believe that all these bonds should be paid out of the public funds, including the District of Columbia bonds.

Mr. GOSS. I may say to the gentleman that there is not a single one of them paid in the way you are suggesting in this bill.

Mr. BLACK. But they believe they should be paid in this way. This is a case of a \$50,000 bond, and the premium would be \$1,000. The proposed salary is \$2,000; and if you make the individual pay for the premium on his bond, you will be giving him a salary of only \$1,000.

Mr. GOSS. I have spoken to the Chairman of the District Committee many times about this bill, and your committee has taken the position heretofore that all the power the committee has is to authorize appropriations, and they have always taken the position that these things should go to the Committee on Appropriations.

Mr. BLANTON. Mr. Speaker, reserving the right to object, when this bill was originally drawn it provided that anyone desiring to have races in the District of Columbia should apply to the District Commissioners for a permit. If horse racing is to be permitted, that is as far as this bill should go; yet it has been amended by the committee and provides for an expensive racing commission with a lot of employees, and should not be passed.

Mr. BLACK. That was my idea exactly.

Mr. BLANTON. That is what the Commissioners are for; to pass on and to grant such permits. They are here to attend to the business of the people of the District. This is why they get a basic salary of \$9,000, after they have been in office for the required period of time. We should not provide for the establishment of another expensive commission to handle racing, with the members of the commission and numerous employees paid salaries. When you pass such a bill, you are putting the District and the people of the District of Columbia in the racing business, and that ought not to be done.

Mr. BLACK. I introduced this bill, and I was quite satisfied that the District Commissioners have charge of the entire operation, but, to meet the objections of several members of the committee, I had to agree to these amendments.

Mr. BLANTON. There is always an attempt to enlarge personnel and create new positions with new salaries at the expense of the taxpayers here, because they cannot help themselves.

Mr. BLACK. I agree with the gentleman that the simpler we have the structure of government here the better.

Mr. BLANTON. The gentleman from New York wields great influence with this committee, and is he not willing to go back to his own proposition?

Mr. BLACK. Absolutely.

Mr. BLANTON. Is the chairman of the committee willing to do that?

Mrs. NORTON. Yes.

Mr. GOSS. The gentleman from Texas is a member of the Committee on Appropriations, and I am sure he does not want to appropriate the money in this bill.

Mr. BLANTON. Certainly not; and that is what I have arranged with the committee to avoid. We are going to change that and go back to the original Black bill.

Mrs. NORTON. I may say to the gentleman from Texas that the bill that was to be considered, I thought, was the original bill, H.R. 7906. As the gentleman knows, I have been away from the committee for sometime, owing to serious illness in my family. The original bill did not con-

tain all these amendments that the gentleman objects to, and I am perfectly willing to have the original bill considered.

Mr. BLANTON. Then let us call up that bill.

Mrs. NORTON. That is the bill we have called up, but the bill has been amended in my absence. Of course, we can vote down the committee amendments.

Mr. BLANTON. That will be all right.

Mr. BLACK. Except the one about dog races. We will take out the dog races.

Mr. BLANTON. Very well.

Mr. GOSS. Mr. Speaker, under the circumstances, I withdraw my reservation of objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the consideration of the bill in the House as in Committee of the Whole?

Mr. PATMAN. Mr. Speaker, reserving the right to object, I should like to ask the chairman of the committee whether any more bills are to be called up this afternoon.

Mrs. NORTON. Just one more bill, and that is the bill having to do with snow removal.

Mr. PATMAN. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person, persons, association, or corporation desiring to hold horse or dog races at meetings where the pari mutuel or certificate wagering thereon shall be conducted, shall apply to the Commissioners of the District of Columbia for license to do so. Such applications shall be in such form and supply such information and data as the Commissioners shall prescribe.

SEC. 2. The Commissioners may reject any application for any cause which they may deem detrimental to the public interest.

SEC. 3. Any licensee may deduct 8½ percent from the total amount wagered in all pari mutuel pools, which shall include a 2-percent license fee, which shall be payable to the Commissioners after the last race on each and every day of each and every race meeting and shall be made from all contributions to all pari mutuel pools to each and every race of that day.

SEC. 4. There shall also be paid to the Commissioners a sum of 10 percent for each and every person entering the grounds or enclosure of the licensee, on the price on each and every ticket of admission.

SEC. 5. The Commissioners shall have the power to prescribe rules and regulations for race meetings, including the power to fix the amount of the purses to be offered at all contests at such meetings.

Mr. BLACK. Mr. Speaker, I ask unanimous consent to withdraw all committee amendments except the one on page 1, line 4, striking out the words "or dog."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk reported the committee amendment, as follows:

Page 1, line 4, after the word "horse", strike out the words "or dog."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that at the conclusion of the next bill, which the Chairman of the District Committee is to call up, I may be allowed to address the House for 30 minutes.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Will the gentleman inform us upon what subject?

Mr. PATMAN. On the Federal Reserve System and monetary legislation.

The SPEAKER. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Speaker, I understand that the special committee authorized and empowered to investigate the charges of Dr. Wirt has agreed upon and adopted the following plan of procedure: They will first call Dr. Wirt to the stand, swear him and demand that he give the

name or names of the parties to whom he has referred and then state what it was these parties stated, whereupon the committee will adjourn without giving Dr. Wirt the opportunity to make any statement at that time.

I would like to make the following observation. Should any committee of this House pursue such an extraordinary procedure I feel that Dr. Wirt would be rendering a distinctly patriotic service to his country, regardless of whether he is right or wrong, by remaining silent and refusing to answer. There is no justification in authorizing any investigation upon the part of this House and then circumscribing and crushing a man in this manner. He should be given full opportunity to state his position and any facts that he may have to support it. Voltaire once said, "I do not believe in a word that you say but I will defend with my life, if need be, your right to say it."

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, the gentleman from Pennsylvania is unduly alarmed. I take the liberty of saying, in the absence of two other majority members of the committee, what I believe that committee proposes to do. If the gentleman from Pennsylvania is advising Dr. Wirt to refuse to answer, I assure him that as far as I am concerned, as one member of that committee, that the committee will take care of Dr. Wirt under the powers of this House and compel him to answer.

All that the resolution of the committee as to procedure at the first meeting does is to prescribe what shall be done at that first meeting; that to wit, Dr. Wirt shall name the people who made these alleged statements to him as read by Mr. James H. Rand, Jr., before the House Committee on Interstate and Foreign Commerce; that he shall state what they, those alleged "brain trusters", said to him; that he shall state the occasions on which the said statements were made; and that he shall state who else was present. The resolution as to procedure does not foreclose the committee from going further at that meeting or a meeting called 5 minutes later or any other meeting. But the committee does not propose in the first instance to have Dr. Wirt appear before it and deliver a long academic treatise on some alleged revolutionary movement in the United States.

Dr. Wirt is not called before the committee as a defendant. He is being subpoenaed as a witness. He will take the oath, and he will answer questions put to him by the members of the committee, but he will not be permitted to make a speech, unless the committee sees fit to permit him to make certain statements. So the gentleman from Pennsylvania need not be alarmed as to what the committee proposes to do. It is going to find out what truth or falsity exists behind the statements made by Dr. Wirt, who, if anybody, made such statements to him, and if nobody did make any such statements, the committee proposes to call his bluff.

Mr. TRUAX. Will the gentleman yield? I wonder if the fact that Dr. Wirt is a Republican, and has been for years under the influence and environment of the United States Steel Corporation, had anything to do with the statement of our friend from Pennsylvania.

Mr. O'CONNOR. The committee does not care whether he is a Republican, a Democrat, a Communist, or a Socialist. The committee will handle him just the same as they propose to handle him, even if he is a regularly, duly registered organization Democrat.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. For a brief question.

Mr. McFADDEN. I resent the statement made by the gentleman from Ohio [Mr. TRUAX]. I am not playing politics nor do I know Dr. Wirt, nor do I know of any connection between him and the Steel Corporation, but Dr. Wirt is making serious charges that certain people are conniving to break down our form of government.

Mr. TRUAX. And I expect to show that he is connected with the Steel Trust.

Mr. O'CONNOR. The only reason I rose was to assure the gentleman from Pennsylvania [Mr. McFadden] that the committee proposes to proceed without partisanship, and to maintain at the same time the right of the House of Representatives to examine the witness as it sees fit, and not to permit stump speeches by some one who may want to gain notoriety or publicity.

REMOVAL OF SNOW AND ICE

Mrs. NORTON. Mr. Speaker, I call up the bill (H.R. 8281) to amend the act entitled "An act providing for the removal of snow and ice from the paved sidewalks of the District of Columbia", approved September 16, 1922, which I send to the desk.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act entitled "An act providing for the removal of snow and ice from the paved sidewalks of the District of Columbia", approved September 16, 1922, is hereby amended to read as follows:

"In each and every case wherein the occupant of a residence, or the person in charge of a building other than a residence, or in the case that the premises as a whole or in part are vacant, then the owner, agent, or person in charge, and the owner or agent or person in charge of any unimproved lot, shall remove such snow or sleet from such sidewalk within the first 8 hours of daylight after the ceasing to fall of any such snow or sleet."

Sec. 2. Section 5 of such act is hereby amended to read as follows:

"Failure to comply with the provisions of this act shall be punishable by a fine of not more than \$5 for each and every offense, and each day of 24 hours after the first 8 hours mentioned that said snow or sleet be not removed shall constitute a distinct and separate offense."

Sec. 3. Section 6 of such act is hereby amended to read as follows:

"All prosecutions under this act shall be on information filed in the police court by the corporation counsel or any of his assistants."

Mr. BLANTON. Mr. Speaker, there should be an amendment offered to this bill providing that where the premises are occupied by a tenant, the tenant shall remove the snow and ice.

Mrs. NORTON. I should be very glad to accept that amendment.

Mr. BLANTON. Because sometimes there might be an owner of a residence who lives in New Jersey who might be renting the property to someone in Washington. He would not know when it snows in Washington.

Mrs. NORTON. I ask the gentleman to submit his amendment.

Mr. FITZPATRICK. Is there anything in this bill to compel the owners and the lessees to clear the sidewalks in front of their houses?

Mrs. NORTON. Yes.

Mr. FITZPATRICK. Such a law should be enforced. It is the only city in the United States where owners and tenants are not compelled to clean the sidewalks in front of their houses.

Mr. BLANTON. There is a regulation here that requires it, but it is not enforced. This bill is to remedy the situation.

Mr. Speaker, I offer the following amendment as a new section at the end of the bill, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. BLANTON: At the end of the bill insert a new section as follows:

Sec. 4. When the premises are occupied by tenants the snow shall be removed by such tenants.

Mr. BLANTON. Mr. Speaker, I do not care to take any time. I happen to know from my experience in Washington that there are many residences here owned by people who live all over the country, in New York, New Jersey, Ohio, Pennsylvania, Maryland, and other States, and unless this amendment be adopted they could be fined.

Mrs. NORTON. The committee will accept the amendment.

Mr. MILLARD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MILLARD. Is it a fact that the city of Washington owns the fee to the sidewalks, and, therefore, we cannot compel the tenants and property owners to remove the snow?

Mr. BLANTON. We can compel them if we pass this bill.

Mr. MILLARD. This will remedy that?

Mr. BLANTON. Yes.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MEMORIAL EXERCISES

Mr. MOREHEAD. Mr. Speaker, I send to the Clerk's desk a resolution, which I ask to have considered at this time.

The Clerk read as follows:

House Resolution 327

Resolved, That on Friday, April 27, immediately after the approval of the Journal, the House shall stand at recess for the purpose of holding memorial services as arranged by the Committee on Memorials under the provisions of clause 40a of rule XI. The order of exercises and the proceedings of the services shall be printed in the CONGRESSIONAL RECORD, and all persons shall be given the privilege of extending their remarks in the CONGRESSIONAL RECORD.

At the conclusion of the proceedings the Speaker shall call the House to order, and then, as a further mark of respect to the memories of the deceased, he shall declare the House adjourned.

The SPEAKER. The question is on the adoption of the resolution.

Mr. WEIDEMAN. Mr. Speaker, I rise in opposition to the resolution and ask unanimous consent to proceed out of order and ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

Mr. WEIDEMAN. Mr. Speaker, I ask to speak out of order at this time to bring to the attention of the Members of the House the fact that there has been placed upon the Speaker's table today a petition asking to bring the McLeod bill—that is, the bank pay-off bill—out of committee for consideration by the House. I have filed this petition, not only to bring the bill out but due to the fact that if it is not brought out in this way we will not have time at this session, I fear, to consider this bill.

Due to the drive now under way to adjourn the Congress by May 15, we find that regardless of the favorable sentiment which may exist in both the subcommittee holding hearings on the bank depositors' 100 percent pay-off bill and the full Banking and Currency Committee, the remaining time is far from sufficient to permit the passage of the bill through the regular procedure.

If the subcommittee reports the bill on the 12th, it will take 3 days before the report can be written and filed in the House. Sunday being the 15th, it will be the 16th before the report of the subcommittee can be filed in the basket, and it will be the 17th before it can be printed in the RECORD. Then it has to remain in that status until the chairman of the full committee calls a meeting for consideration of this particular bill. Until then this bill cannot be considered by the full committee.

You can count on a week before the full committee is called for consideration of this bill. That brings the date to April 24. If the bill is reported on the 24th or 25th, which is not likely, because the full committee has already stated it will hold hearings which will last at least 2 or 3 days, that makes it the 26th or 27th. If the report of the bill is made on the 26th or 27th, you have got to allow at least 3 days before the report of the full committee can be written and dropped in the basket. That means at least the 29th or 30th, and April being a 30-day month cuts us down to only 15 days remaining before the adjournment date.

After the report of the full committee has been printed, even though this bill is favorably reported, it goes on the calendar in the regular course of procedure and takes its regular place on such calendar and is subject to call only in such regular course of procedure. In other words, not until the next Banking and Currency Committee day is reached on the House Calendar.

If, however, the leadership and administration in Congress can be construed to be in favor of this bill, then the next

step is for the leadership and the chairman of the full committee, Congressman STEAGALL, of Alabama, to ask the Rules Committee for a hearing on obtaining a rule for this bill to come before the House under a special rule. If the Rules Committee and the administration are favorable—and the majority members of the Rules Committee are selected for that committee only because they are strictly administration men—then it is up to the Rules Committee to grant a hearing to the Chairman of the full Banking and Currency Committee.

This procedure should take at least 3 or 4 days. Then, according to the rules of the House, the ordinary procedure is that it would be at least 1 or 2 days before the rule is printed and came before the House for a vote on such rule. This would bring the date somewhere—say, for sake of argument, May 7. Therefore, if the Rules Committee, after the rule is granted on May 7, permits this bill to come before the House for action under a special rule—for instance, on May 9—we have only 6 days remaining in which to pass this bill, not only through the House but through the Senate, and have it signed and enacted into law before May 15, which, as said before, is the date set by the leadership of the House, at least according to all the rumor prevailing here, for adjournment.

The fact that this bill is so vital to hundreds of thousands of substantial, hard-working citizens makes it imperative that this bill pass at this session of Congress.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WHITE. Mr. Speaker, I am in receipt of a communication from Idaho which I think will interest the Members of this House:

Whereas in order to keep thousands of American citizens from starving through the different governmental agencies through the last several months the United States of America has increased its public debt in a staggering amount, it would seem that a point is rapidly approaching where the credit of our Government must necessarily break unless the wisdom of our President and the Congress of the United States are brought into play to the end that a wise monetary policy may be adopted. It must be apparent to all that our monetary base must be broadened. We believe in a sound monetary system. In order to establish this and to curb the present pyramiding of tax-free interest-bearing paper credit issues we urge the restoration of silver to the time-honored position it occupied for thousands of years prior to its ruthless demonetization by this country in 1873 and the assaults made upon it by European nations prior to that time. For thousands of years silver was the money of the people and was sound and would be so today if given an opportunity. It seems to us to longer postpone this matter is the continuation of an almost criminal neglect to an open avenue of relief where an open avenue is so readily available. We urge that a ratio be established between gold and silver conformable to the production ratio between gold and silver throughout all mining history.

EXECUTIVE COMMITTEE IDAHO MINING ASSOCIATION.

The SPEAKER. The gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

GET GOVERNMENT OUT OF PRIVATE BUSINESS AND GET PRIVATE CORPORATIONS OUT OF GOVERNMENT BUSINESS

Mr. PATMAN. Mr. Speaker, I asked for this time in order to talk about the monetary situation. I believe that the issuance and distribution of money is a governmental function. I think that the Government should, as quickly as possible, get out of all private business, but on the other hand I think the Government, as quickly as possible, should take over its own business.

The Constitution says that Congress shall coin money and regulate its value. I do not blame the bankers for the present credit and monetary conditions as much as I blame Congress. The banking laws are responsible. Therefore it is not the bankers so much as it is our own Congress, and we are Members of one branch of the Congress. If we fail to do our duty I think the people should blame us.

FEDERAL RESERVE BANKS HAVE FAILED TO HELP PEOPLE

The Federal Reserve banks have not been doing what Congress contemplated that they should do when they were

created. They were created for the purpose of giving the country an elastic currency, to help commerce, industry, and agriculture. The country was divided up into 12 regions or divisions. In each area there is a Federal Reserve bank that has a monopoly on the use of the Government credit in that particular area. In the area in which I live is the Federal Reserve Bank of Dallas, Tex. It is district no. 11. That bank has \$114,000,000 in cash in its vaults and has actually let industry and agriculture and commerce have this time not over \$100,000 out of the \$114,000,000. It is just as I heard a Member of Congress, the Hon. MARVIN JONES, describe it the other night. The money set-up that we have is like the power for an automobile. When it goes down hill we have plenty of gas, and we have plenty of power, but as we start up hill on the other side we have no power, no gas. Our financial system is that way. When we have plenty of money, credit, and prosperity, we have plenty offered to us by the Federal Reserve banks, but when we actually need money, and when we actually need credit they are putting on the brakes. They order deflation. We are going up hill. We need that power which the Federal Reserve can supply, and we cannot possibly get it.

MONEY MONOPOLY OF FEDERAL RESERVE

A Federal Reserve bank has a great privilege. It has the right to issue a blanket mortgage on all the property of all the people of this country. It is called a Federal Reserve note. For that privilege section 16 of the act provides that when the Government prints a Federal Reserve note and guarantees to pay that note and delivers it to a Federal Reserve bank, that Federal Reserve bank shall pay—it seems to be mandatory—the rate of interest that is set by the Federal Reserve Board. The law has never been put into effect. The Federal Reserve Board sets the zero rate. Instead of charging an interest rate which the law says they shall charge, they set no rate at all.

Therefore, for the use of this great Government credit, these blanket mortgages that are issued against all the property of all the people of this Nation and against the incomes of all the people of this Nation, they do not pay one penny. Not one penny of the stock of the Federal Reserve banks is owned by the Government or the people, but it is owned by private banks exclusively. They do not pay one penny for the use of that great privilege, to the people or to the Government.

SO-CALLED "PERFECTING AMENDMENTS"

It was contemplated that they should pay for the use of the Government's credit. The Board said, "Well, the law is that when they make so much money all above that is excess profit and will go over into the United States Treasury." When those profits commenced to accumulate they got so-called "perfecting amendments" passed by Congress, providing that until this surplus was up to a certain amount none of the profit should go into the Treasury. Then as the surplus piled up they kept increasing it by other perfecting amendments, and, finally, last session when the Glass-Steagall bill was passed there was a provision that all profits, instead of going into the Treasury as contemplated by the Federal Reserve Act, should go into the surplus fund of each Federal Reserve bank. Eventually they expect to distribute these profits. Another perfecting amendment will be proposed for that purpose.

Therefore, not one penny is paid to the Government, to the people, by these private banking institutions for the use of this blanket mortgage upon the property and the income of the people.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. McFADDEN. Will the gentleman inform the House how many Members knew such a provision was in the bill, and was it discussed to any degree whatsoever?

Mr. PATMAN. I may say to the gentleman from Pennsylvania that when the Glass-Steagall Act of 1933 came over from the Senate and came on the floor of the House I offered an amendment to strike out that section. I considered it a joker in the bill, and after full and deliberate consideration the House voted almost unanimously to strike that section

from the bill which would have caused all excess profits to go into the United States Treasury, as contemplated by the original act.

Then when the bill went to conference and the House wanted certain concessions and the Senate wanted certain concessions, the Senate conferees refused to yield on that point and said, "We will not let you have guarantee of bank deposits unless you leave that provision giving the profits to the banks instead of the Government in the bill." In order to get guarantee of bank deposits the House had to agree to that section remaining in the bill. Of course, I did not agree to it, but there was no way of getting guarantee of bank deposits without permitting that provision to remain.

Mr. McFARLANE. Was it not section 3 that was stricken out by the gentleman's amendment?

Mr. PATMAN. I believe it was section 3; I am not sure.

Mr. McFARLANE. Did the conferees of the House call to our attention the matters the gentleman has just mentioned?

Mr. PATMAN. I do not recall. It was at the end of the session and we were all anxious to get some kind of Federal deposit insurance, and the conferees, I think, lost sight of that part of it, but it was very material.

Mr. McFARLANE. They did not call it to our attention.

GOVERNMENT SHOULD OWN FEDERAL RESERVE SYSTEM

Mr. PATMAN. There is one way we can bring back to the people of this country that great privilege and right, and that is to do something about the Federal Reserve banks. The banks of the country have invested \$140,000,000 in the Federal Reserve banks. That is all they have invested in these 12 great institutions. With this small, insignificant capital of \$140,000,000 they have been doing business aggregating as high as \$100,000,000,000 a year. Do you think they can do it on that capital? We know they cannot do it on that capital and are not attempting to do it on that capital. They are doing that enormous business on the credit of this Nation. They are doing it by issuing these blanket mortgages that are liens upon your homes and my home, and upon our incomes until they are paid.

I hold in my hand a Federal Reserve note issued by the Federal Reserve Bank of Philadelphia. The Federal Reserve Bank of Philadelphia does not agree to redeem this note. None of these banks agrees to redeem them. This Federal Reserve note reads:

The United States of America will pay to the bearer on demand \$5.

The United States guarantees all the paper money that is issued by the Federal Reserve banks. The Federal Reserve banks do not issue this money upon their financial responsibility. Therefore they are enabled to do \$100,000,000,000 a year business on \$140,000,000 capital investment.

GOVERNMENT PAYS BONDS AND CONTINUES TO PAY INTEREST ON THEM

I have before me a copy of the report of the Federal Reserve Bulletin for March 1934. I notice that the 12 Federal Reserve banks at the end of February 1934 owned \$2,431,951,000 of Government bonds. What did they pay for these Government bonds? Did they pay money; did they pay credit; did they give the member banks credit on their books for them? The credit of this Nation was used by these banks to acquire these Government bonds. Suppose you owed \$3,000 on your home, the remainder due on your mortgage, and you gave me \$3,000 to pay the holder of that mortgage and I gave the holder of the mortgage the \$3,000 and had the mortgage transferred to me, and at the end of 6 months or a year I came to you and said, "Pay me interest on that mortgage"; you would say to me, "Why, I gave you the money to pay that mortgage, to liquidate it! Why, you are foolish to come to me and ask me to continue to pay interest on an obligation I have liquidated with my money." I would not be any more foolish than the Federal Reserve banks that buy Government bonds on Government credit and then continue to call upon the Government for interest on those bonds; and, remember, about 60 percent of the Government bonds that are outstanding today, Government securities, are owned by banking institutions. The banks have plenty of Government bonds; they are in a liquid con-

dition. There is not much incentive to them to lend money out to private industry because the Government has gone into the business of subsidizing the banks and keeping them up. The bankers are no longer restless or uneasy at night because the Government of the United States is behind them subsidizing them, paying them plenty of money to operate, to run no risk; and the banks are ceasing to function as they should function.

EXPENSES OF FEDERAL RESERVE BANKS

Last year the expenses of the Federal Reserve banks were \$29,220,000, total current expenses for the year. How much did they collect from the Government? They collected interest on Government securities for that year amounting to \$37,529,000.

In other words, they collected \$8,000,000 more in interest from the Government during that year 1933 than their total operating expenses for the year by using the credit of this Nation free of charge and charging the Government interest on obligations which they purchased with Government credit.

Mr. McFADDEN. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. McFADDEN. Will the gentleman tell us how much profit they made from their transit department in collection charges which they exacted from the banks in addition to the amount the gentleman has mentioned?

Mr. PATMAN. The losses ought to be determined. They had some losses. They have a bookkeeping system in the Federal Reserve banks that I have not been able to follow, and I have not seen any one able to comprehend the bookkeeping system of the Federal Reserve banks. That is no reflection on the system. It would have to be very plain and simple for me to understand it. I do not know how much they had in losses on the transactions to which the gentleman refers.

Mr. McFADDEN. The gentleman is making an interesting statement and is calling attention to matters which I have repeatedly called the attention of the House to and I may say to the gentleman that this matter can be corrected if this side of the House will cooperate and see that the resolution I have before the Judiciary Committee of the House is acted upon. That is an impeachment of the Federal Reserve System.

Mr. PATMAN. We have worked together on this for 3 or 4 years and the gentleman's party was in power when I started. I was not able to get any cooperation from them and I believe the gentleman also appeared before the Rules Committee several times when I appeared. We both appeared for the same purpose, namely, getting an investigation of the United States Treasury and of the Federal Reserve System.

Mr. McFADDEN. This is not a political matter.

GET THE TRUTH TO THE PEOPLE

Mr. PATMAN. This is not a political matter and I think the first thing to do is to give the people the truth about the situation. When you get the truth to the people you will not have to worry about action. They will see that Congress takes action. Congress is responsible, and we as Members of Congress are responsible. We as a body, the House of Representatives, are sitting idly by when we know that the greatest privilege on earth has been farmed out to special interests to issue blanket mortgages on all our property in order to make money for themselves and to charge interest rates to people who obtain this money.

WHAT IS REMEDY?

With regard to the remedy, may I say that the first thing the Government should do is to take over the Federal Reserve banks. Just give the member banks credit on the books of the Federal Reserve for this \$140,000,000 and then take them over. When the Government takes over the Federal Reserve banks, the banks can then issue money, extend loans and credit not only to national banks and to the member banks of the Federal Reserve but to State banks as well, to building and loan companies as well, and to

any kind of an organization that needs the credit of this Nation. The profits would go to the Treasury.

Why should a few people have a monopoly on this credit? This is the first step that should be taken by this Government. The Government should take over the Federal Reserve banks and after that there are other steps that should be taken.

FORD-EDISON PLAN

Back in 1922 Henry Ford asked Thomas A. Edison to get up a plan that would help the farmers. Mr. Edison made the following statement, and I will read one short paragraph:

Some months ago Mr. Ford asked me to see if I could not invent some plan for helping the farmers. I have approached the matter in the same way I do with a mechanical or other invention, namely, get all the facts as far as possible and then see what can be done to solve the problem.

After Mr. Edison worked about a year he presented a plan in December 1922, that I feel is up to date now. It received very little consideration then and has received but slight notice or attention since that time. I think this is the proper time to give it some attention. His plan was to let the Government build and operate licensed warehouses where all nonperishable farm products could be stored. I am from a cotton section. Taking cotton for instance, a farmer could take a bale of cotton to the nearest warehouse. This cotton would be graded, weighed, and classed, and placed in the warehouse. If cotton over a period of 25 years has been selling for 12 cents a pound on an average, the Government would advance to the farmer 6 cents a pound, which would be just one half the price of cotton over a 25-year period. The Government would not be running any risk at all, because the price would be based on an average price over 25 years. The amount advanced would be 6 cents a pound or \$30 a bale. Mr. Edison said the Government should loan the farmer this credit free of charge and that the Government should issue to him Federal Reserve notes or similar notes that the farmer would not pay one penny's interest on, thereby using free of charge a part of the credit of his Nation that he has helped build. To the extent of that small insignificant amount the farmer will be using the credit of the Nation free. In addition to this \$30 the man would be given an equity certificate in the other half of the cotton. He could take the equity certificate to his private banker, merchant, or anyone else and use it as collateral for loans. The man would not be permitted to keep the cotton indefinitely, neither would he be permitted to keep coal which at that time was classed as one of the commodities, neither would he be allowed to keep wheat or anything else except for a period of 6 to 12 months, not long enough to allow him to use it purely for speculation.

If this plan had been adopted, every farmer and many others in the country would have been allowed in a small way to have used the credit of his Nation free of charge up to a reasonable amount.

The same plan could be used to help home owners. Why could there not be some limit placed on security—good security, the best on earth—so that any person could use the credit of his Nation up to a certain amount free of charge, just like the Federal Reserve banks now use the credit of the Nation?

WHAT THOMAS A. EDISON PROPOSED

Construction by the Government of warehouses where certain farm products can be stored.

Immediate loan to the farmer of one half the value of the products stored, value for the purpose to be based on the average price of the products for a 25-year period.

Issuance to the farmer of a certificate for his equity in the stored products, which certificate can be sold or used as bank collateral for an additional loan.

Loans to be made with Federal Reserve notes, the notes to be canceled when the loans are canceled. No interest on the loan.

If the price of the commodity goes up, the farmer will get the benefit. If it goes down, he will stand the loss, through increase or decrease in the value of his equity certificate.

To prevent utilization of the plan for speculative purposes products stored must be withdrawn within 1 year. Unless withdrawn within 1 year, products will be sold at auction, the loan canceled, and the balance delivered to the owner in return for his equity certificate.

Objects: To permit the farmer to sell his product as it is consumed instead of compelling him to glut the market by selling all at once; to permit the farmer immediate cash on his products as the gold miner does; to give the country a nonfluctuating currency. His plan is entitled "A Proposed Amendment to the Federal Reserve Banking System."

Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to insert certain tables and other information and data in regard to the subject matter I am discussing.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

\$8,000,000,000 NEW MONEY CAN BE ISSUED NOW

Mr. PATMAN. We really need an additional circulating medium.

The following letter and table are self-explanatory:

FEDERAL RESERVE BOARD,
Washington, March 31, 1934.

Hon. ROBERT L. OWEN,

Wardman Park Hotel, Washington, D.C.

DEAR MR. OWEN: Pursuant to your request, I am enclosing a table containing available figures of deposits of all banks in the United States. The figures in the first column include total deposits, exclusive of interbank deposits, for all banks as compiled by the Federal Reserve Board from reports received from the Comptroller of the Currency and from the State banking departments in each State. The figures in the three remaining columns were compiled by the savings division of the American Bankers' Association, and apparently exclude not only interbank deposits but also certified and cashiers' checks, cash letters of credit, travelers' checks outstanding, and deposits of States, counties, municipalities, and of the Federal Government.

It is estimated that total deposits, exclusive of interbank deposits, of all banks in the United States were turned over about 22 or 23 times in 1929 and at present they are being turned over at the rate of about 11 times per annum.

Very truly yours,

CARL E. PARRY,
Assistant Director of Research and Statistics.

Enclosure.

Deposits of all banks in the United States
[In millions of dollars]

June 30, or nearest date	Total, exclusive of interbank deposits ¹	Individual deposits ²		
		Total	Savings deposits	Demand deposits
1920.....	37,721	32,361	15,189	17,172
1921.....	35,742	34,233	16,501	17,732
1922.....	37,615	36,336	17,579	18,757
1923.....	40,688	40,491	19,727	20,764
1924.....	43,405	41,064	21,189	19,875
1925.....	47,612	45,464	23,134	22,330
1926.....	49,733	47,472	24,696	22,776
1927.....	51,662	49,062	26,091	22,971
1928.....	53,398	51,199	28,413	22,786
1929.....	53,852	50,789	28,218	22,571
1930.....	54,954	50,554	28,485	22,069
1931.....	51,782	47,593	28,215	19,878
1932.....	41,963	39,306	24,281	15,025
1933.....	38,011	35,513	21,424	14,089

¹ Compiled by savings division, American Bankers' Association.

² Compiled by the Federal Reserve Board.

NOTE.—Inclusive of mutual savings banks.

You should multiply the amount of deposits for 1929 by 22 to determine the amount of business done by these deposits in that year. Multiply the deposits for 1933 by 11 and you will determine our business for the year 1933 was short by almost \$1,000,000,000. There is one way this condition can be remedied, and that is by putting out some real money. Eight billion dollars can be issued right now on the idle, unencumbered, unobligated gold that is in the Treasury, not counting the gold owned by Federal Reserve banks.

Mention has been made of tax-exempt bonds here today. I would not issue any more tax-exempt bonds, not another penny's worth of them, but I would gradually and eventually pay off every dime of tax-exempt bonds we have out today with new currency. You would not have undue inflation in that way if you changed the banking laws at the same time.

MONEY OR CREDIT

The other day before the Senate Committee on Agriculture the distinguished gentleman who was representing the Federal Reserve Board, Dr. Goldenweiser, the economist, was testifying. The chairman of the committee permitted me to ask him a few questions and I asked him if it would be a helpful condition if the banks of this country were to extend \$20,000,000,000 of additional credit within the next 12 months or 2 years and his answer was substantially to the effect that it would be a very helpful condition because it would extend more credit and this credit would turn over, and with the turn-over there would be increased business, and this would be helpful. I said, "All right, Dr. Goldenweiser, suppose we just issue \$20,000,000,000 of money; would not that be helpful?" In substance, he said, "No; because each dollar issued would go into the banks and the dollar would be used as a basis for the issuance of 10 additional credit dollars. Therefore we could have \$200,000,000,000 in credit, wild inflation, and destruction of our monetary system." I answered Dr. Goldenweiser in this way: I said, "Yes; but you are presupposing that we cannot change our banking laws. Suppose, as we issue this money, we change the reserve requirements of banks and instead of their being able to issue 10 credit dollars for every \$1 of reserve, they can only issue \$5 or \$4 or \$3 or \$2", and the chairman of the committee, Senator SMITH, said, "Yes; or no credit dollars at all; just be permitted to lend out the actual money they have and nothing more."

This is a complete answer to that argument. You can have this country on a currency basis. There is no question on earth about it. Dr. Goldenweiser later admitted it. You can have a currency basis the same as a credit basis. The only difference is that if you have currency nobody is paying interest on this money that is outstanding. If you have credit, somebody is paying interest on it every day that it is outstanding.

PEOPLE SAVED \$11,000,000,000 INTEREST ON SO-CALLED "GREENBACKS"

I was reading the other day the hearings on the Goldsbrough bill, and I noticed a statement put in there by Mr. Robert Harris, of New York, in regard to the United States notes that are outstanding.

In 1862 there was issued by this Government between three and four hundred million dollars of United States notes. Not a penny of gold was behind these notes. The credit of the Nation was behind the notes. This was during the War between the States, and when General Early, of Southern Confederacy fame, was about to take Washington and the Union was about to fall, these notes depreciated in value down to about 35 cents on the dollar. They only had the credit of the Government behind them; but when the Union was successful, these notes came back 100 cents on the dollar. The Government did put some gold behind them, but that was not the reason they came back 100 percent. It was because the credit of the Nation was restored. They have remained 100 percent ever since. This money is in circulation today—\$346,000,000 of it. The people have been saved more than \$11,000,000,000 of interest on that money on the basis of 5 percent, as this table discloses. If the people can save \$11,000,000,000 in interest from 1862 to now on \$346,000,000, how much will the people be able to pay and how much will they be required to pay on this \$25,000,000,000 or \$30,000,000,000 debt we have? This is a question we must consider.

IDIOTIC MONEY SYSTEM

So the point is that it is not right for the Government to pay interest upon its own credit. It is an idiotic and imbecilic system that we have that this Government, in order to get \$1,000,000, will issue a million dollars in tax-exempt, interest-bearing bonds.

These bonds are sold to a banking institution. The banking institution does not pay money for the bonds. The banking institution gives credit for the bonds on the books of the bank and then if it wants money it will bring the million dollars of bonds back to the Treasury where they were purchased and get \$1,000,000 in new money that is printed over here at the Bureau of Engraving and Printing.

They leave on deposit only 5 percent as a redemption fund, which is never needed and has never been used. This money is issued upon a Government debt. If the Government can issue, as Thomas Edison said, a dollar bond that is tax-exempt and interest-bearing that is good, that same Government can issue a dollar bill that bears no interest that is just as good.

PEOPLE STUDYING MONEY QUESTION

There is no answer to this argument. Nobody attempts to answer it. They will try to confuse you by saying that this money question is too complicated and too intricate for you to understand and do not try to understand it; but the people of this country are studying it today as they have never studied it before and I believe the time is coming, and not in the far distant future, when we will have some very interesting monetary reforms.

Mr. PARSONS. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. PARSONS. I wonder if the gentleman has compared the operations of the Federal Reserve System with the operations of the Bank of France or the operations of the Bank of England with reference to their policy of handling credit for the government and various banking institutions.

Mr. PATMAN. Take France. Three individuals, in some cases I understand two of proven solvency can take their obligations to the Bank of France and get money. If we had a similar situation over here, you would not have to go to the bank and have the bank go to the Federal Reserve System, but an individual or an industry could go directly to the Federal Reserve bank and get credit.

The time of Mr. PATMAN having expired, he was given 5 minutes more.

Mr. PARSONS. Will the gentleman yield further?

Mr. PATMAN. Yes.

Mr. PARSONS. If the French Government needs \$100,000,000 or \$200,000,000, it goes immediately to the Bank of France, and the Bank of France issues the currency on the credit of France. The Government takes the currency, uses it, for which it pays the bank one half of 1 percent.

Mr. PATMAN. If you will take the Federal Reserve Bulletin for March, page 86, you will find where the credit has been extended to our Government for as little as 1 cent for a hundred dollars per year. That was last August, when the Government borrowed money for 1 cent for the use of a hundred dollars for 1 year. That was the rate that was paid. It seems small, but do not overlook the fact we were buying our own credit.

FEDERAL RESERVE BANK OF NEW YORK VISITED

The other day a large group of Members of Congress had the privilege of going through the great Federal Reserve Bank of New York. On the tenth floor we were shown the directors' room. I asked the man who was showing us through, "Where is the Federal Reserve agent's room?" He carried us into an adjoining room and said, "Here is the Federal Reserve agent's room. This belongs to the Federal Reserve agent." I said, "Where is the room of the chairman of the board?" He carried me across the hall and said, "Here is the room of the chairman of the board." There was a desk there, and places for two or three assistants. I said, "Why should he have two offices?" There is only one man for both places? The Federal Reserve agent is the chairman of the board. When he sits across the hall in the Federal Reserve agent's room he is supposed to look out for the protection of the people. When he crosses the hall he becomes chairman of the board of directors, and he is looking out for their interests, the protection of the member banks of the country.

WHAT THE GOOD BOOK SAYS

You know that we are told by the Good Book that no man can serve two masters. The Federal Reserve agent as chairman of the board is serving two masters; he has a dual relationship. He serves two masters, or is supposed to serve two masters.

The point is this: The Federal Reserve agent wants new money—Federal Reserve notes. He wires the Bureau of Engraving and Printing through the United States Treasury

and says, "Print the bank \$10,000,000 of new currency." They print it, because he represents the Government. The law says that when this money is printed, which is a blanket mortgage, and is delivered from the Federal Reserve agent to the chairman of the board an interest rate shall be charged, but that interest rate has never been charged. They are using the credit of this Nation free. We would probably not have a deficit today if an interest rate had been charged. There is no reason why the Government should pay a billion dollars a year interest, or even a million dollars a year interest, for that matter, if we will do just what the Constitution of this country says we should do, and that is not to delegate this great authority out to private bankers and to a few individuals for their own profit, to use in any way they choose, but take that power and authority back to ourselves and regulate money as the Constitution says we should regulate it. And I hope that this Congress before it closes will take some long and substantial steps in the direction of bringing us back to the Constitution in that respect. [Applause.]

Mr. FOULKES. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. FOULKES. Mr. Speaker, after all this discussion of the past few days concerning the possibility of a fundamental social change in this country, the Nazi movement, the absurd assertions of Dr. William Wirt, and the habitually emotional and hysterical outbursts of the gentleman from New York [Mr. FISH], I feel that it is entirely in order to make some detailed observations on the whole matter.

As some of you are aware, I received a telegram from Dr. Wirt in which he quoted a statement of Secretary of Agriculture Wallace to the effect that we must "decide which way we want to go" with reference to the economic system. The quotation from Secretary Wallace was made by Dr. Wirt in connection with Dr. Wirt's effort to wriggle out of the debate to which he virtually challenged me in the first place, in which I was willing to participate, and from which he later seemed to shrink. That is not so important. I merely accepted the invitation of the Washington Open Forum to take part in such a debate after Dr. Wirt had issued what amounted to a challenge to me to discuss the whole matter with him. The fact that he later seems to have acquired a case of "cold feet" was, no doubt, fortunate for me. I am busy enough as it is, without engaging in a debate with a school teacher who, as I have pointed out, is really aiding Hitlerism in America, and who, it seems, is so innocent of the implications of his own conduct that he does not realize its consequences.

In quoting Secretary Wallace's statement, however, Dr. Wirt rendered a service, for the Secretary's statement that the American people must decide which way they want to go is entirely correct and very much to the point.

After having lived under a dictatorship of plutocracy that has slowly but steadily grown more cruel, merciless, and intolerable, it is highly proper that we take stock of ourselves and, as Secretary Wallace said, "decide which way we want to go." Millions of people in these United States have already reached the conclusion that we do not want to go further in the old direction. They have had enough of poverty, destitution, and suffering for the many; and luxury, ease, and indolence for the few. They know that we are at the crossroads, the dividing point, the turning of the ways, and that we must soon make the decision as to the future course we shall pursue. [Applause.]

The gentleman from New York [Mr. FISH] has expressed profound concern and wept copious crocodile tears because, in his opinion, the Democratic Party is being used to establish a gradual form of socialism in this country. Although he swears allegiance to the Republican Party and its most reactionary doctrines, he professes deep interest in maintaining the integrity of the Democracy and in keeping it safe from any taint of radicalism. It is too bad about Mr. FISH! I like him personally and I am sorry to see so much

time, energy, and talent go to waste, but I suppose his habits are too firmly settled to expect him to reform at this late date.

It has not dawned upon him that the Democratic Party in its origin was a radical party and that the clearest thinkers and finest characters among the founding fathers of this Republic were radicals. It does not occur to him that a courageous radicalism today, instead of being reprehensible, is to be commended and is just what the Nation needs.

As a matter of fact, there is no socialism—much less any communism—in the Roosevelt administration. But if it should, in the course of time, happen that certain members of the official family come to realize that we are on the verge of a vast social change, that we must reorganize our economic structure even if such a reorganization should be considered communistic or socialistic, it would be a very creditable and intelligent attitude. It has frequently been remarked that "wise men change their minds, fools and dead men never." I certainly hope that there are a number of men in the administration who grasp the truth that old things are passing away in the industrial world and that the social structure must be changed from top to bottom. I should dislike to think that our public officials are all so obtuse, blind, and, in ordinary slang, "dumb" as not to realize this. [Applause.]

Instead of being alarmed because several department officials have a social vision and believe that human needs should be supplied even if it is necessary to scrap some of the outworn ideals and statutes of the past, the gentleman from New York should be gratified. So should the gentleman from Texas [Mr. EAGLE], who, in a recent meeting of the dairy bloc, intimated that he was afraid President Roosevelt wanted to sovietize the country. So should the arch defender of protectionism, Dr. CROWTHER, of Schenectady, N.Y. So should the gentleman from New York [Mr. WADSWORTH], the undoubted candidate of reaction for the Presidency in 1936. There has been little enough accomplished in the way of improvement, God knows. Suffering is rampant from coast to coast. The cries of the hungry, the homeless, and the jobless, rise to high heaven in a pitiful chorus of agony. The new deal, after all is said and done, has relieved human suffering in the United States very little. It is well that more attention is being paid to the needs of our people today than was given in the days when heartless Hooverism ruled the land, but the relief rendered has been so slight that any complaint from Mr. FISH and his aristocratic companions is a ghastly joke.

If the Democratic Party should have the wisdom, sagacity, and prophetic vision to espouse the cause of a social order based on cooperation and not on competition and exploitation, it would become the great emancipator of the American people from a slavery as galling and black as that which once held down the Negroes in bitter bondage. [Applause.]

Will the Democratic Party measure up to such an opportunity? Can it meet the occasion? Can it do less? In the light of events of the past few decades it is hard to hope for such a development. When one recalls the prostitution of the Democratic Party to the gold standard, and when one reflects on the vicious Prussianism that prevailed in the name of a pretended "war for democracy", when liberty was throttled from coast to coast and the finest of our citizenship was being jailed, lynched, and tarred and feathered for exposing the mercenary motives back of war, can we hope to see the Democratic Party today become a party of social justice and to free itself from capitalistic control? I am a Democrat, a member of a Democratic family, with a Democratic background, and with deep and strongly established admiration for the Democratic Party. [Applause.]

Yet, fellow Members of the House of Representatives, and fellow Democrats in particular, do we not know that Thomas Jefferson was an uncompromising, unrelenting radical whose fiery statements would, in this corrupt and later day, have caused the gentleman from New York [Mr. FISH], and the

prosperous and astute leader of the minority [Mr. SNELL] to want to lock him in a penitentiary for the rest of his natural life?

Experience—

Said Thomas Jefferson—

declares that man is the only animal which devours his own kind; for I can apply no milder term to the governments of Europe and to the general prey of the rich on the poor.

Now, as I understand it—and in spite of the spasms and tremors of the gentleman from New York and Mr. Ralph Easley, the tiresome gentleman of the National Civic Federation, and Gen. Amos A. Fries, who was so embarrassingly repulsed in a major battle some years ago when he tried to get a Socialist school teacher in Washington fired and failed, and all the others who are either hired tools of Wall Street or fidgety old ladies shivering for fear of “big, bad wolves” and “big red Communists”—as I understand it, intelligent radicals do not advocate armed revolution and never have, but they have a strong suspicion that, if they win elections and get control legally, the profiteers and grafters will precipitate violence by refusing to obey the laws, thereby causing bloodshed. That is, as I am advised, the entire basis of the claim that radicals advocate violence. They do not advocate it at all—none of them have ever done so, except where capitalists have planted stool pigeons and agents in their midst to provoke trouble. They expect trouble, to be sure. They do not intend to start the trouble. They took it for granted that the capitalists will do the starting. If so, they, the radicals, have made it clear that they intend to end the trouble.

For your information, Thomas Jefferson, who in some respects was more radical than the Communists of 1934, made this statement:

The tree of liberty must be refreshed from time to time with the blood of patriots and tyrants.

On one occasion he remarked that a little rebellion, now and then, was a good thing for any people. At another time he declared that no constitution ought to be in effect more than 20 years.

If Foster or Thomas had made such statements in our time, I have no doubt that the gentleman from New York, and others who believe in the inherent virtue of stagnation and dry rot, would have attempted to send them to Fort Leavenworth.

What sickening hypocrisy when the spokesman for reaction talks to us about preserving the integrity of the Democratic Party, utterly unconscious of the splendid assertion of Thomas Jefferson, who said:

And let us reflect that, having banished from our land that religious intolerance under which mankind so long bled and suffered, we have yet gained little if we countenance a political intolerance as despotic, as wicked and capable of as bitter and bloody persecution.

I commend to the thoughtful consideration of my friend Mr. FISH and the minority leader, Mr. SNELL, and the chief champion of the protective tariff, Dr. CROWTHER, this fine statement of the principle of tolerance from the pen of the immortal Jefferson.

And I call to their attention another and even more vigorous statement from this great Democrat—a statement which involves granting to every champion of social change the fullest and freest right to express his opinions even if they should mean the complete overthrow of the present social system and the present system of government. These are the words, and they are the words of Thomas Jefferson, not of William Z. Foster, nor of Norman Thomas, nor of Joseph Stalin, nor of Nicholas Lenin, nor of Karl Marx:

If there be any among us who wish to dissolve this Union or to change its republican form, let them stand undisturbed as monuments of the safety with which error of opinion may be tolerated where reason is left free to combat it.

Such a magnificent expression of the spirit of free speech, freedom of opinion, and freedom of conscience is as con-

trary to the viciousness of mind that characterizes our red baiters as gorgeous sunlight is contrary to blackest midnight.

So much for freedom of belief, which is guaranteed by the American Constitution and a part of our fundamental law.

Now, for another important point. There is plenty of prevalent nonsense about alien radicalism. Let me disabuse the minds of some good people of the delusion that radicalism is alien. When I use the word “radical” I use it in the correct sense as meaning someone who believes in a change at the base of things, a root change. Those convinced that there must be a root change in the social structure in the United States are by no means altogether aliens—only a minority of them are in this category. Radicalism is as native to American soil as conservatism—more so.

Read the writings of Thomas Jefferson, from whom I have quoted. Read Franklin, Paine, Madison, Henry, and others of the time—many of whom had absorbed the iconoclasm of the Jacobins of the French Revolution. Any public library contains plenty of proof that collectivism was advocated in the United States by able Americans long before Karl Marx and Frederic Engels wrote the Communist Manifesto. The ideal of the social ownership of the means of production and distribution is not confined to thinkers of any one land. Economists, philosophers, and statesmen of all countries have conceived of it. Why not? Did you expect science, truth, and common sense to be limited to one region, one national tract of land, one chunk of soil?

Many men in many lands have reached common conclusions about the multiplication table, the law of gravitation, and the roundness of the earth. Why should they not reach common conclusions about the inefficiency and the injustice of the present social system and the necessity for establishing another? Who cares where an idea originates if it is rational and logical? Who cares whether the Arabs or the Scandinavians or the Fiji Islanders invented the multiplication table? Who cares whether Jews or Gentiles, Protestants or Catholics, or nonchurch members discovered the law of gravitation?

No; radicalism is not alien. It is as much American as it is German or French or Russian or British. And it does not matter what it is, so far as inception is concerned. All that matters is whether it is reasonable, just, and scientific.

The Declaration of Independence was radical and constituted a deliberate defiance of established authority. Obviously, the same was true of the Revolutionary War. Radicalism was the very soul of the Jeffersonianism of 1800 and the years that followed. Andrew Jackson was a radical, and when he was made President of the United States he came into power as the candidate of a Democratic Party backed by primitive labor unions and the angry agrarian elements of the South and West who were desirous of breaking the power of the mercantile and banking interests of the East and North. In a sense, Jackson may be termed the first Farmer-Labor President of the United States. The abolition movement was a radical movement—an assault on the so-called “rights” of private property, a warfare against the legitimate business of owning human beings and peddling them on the auction block. The abolition of slavery, while a step in the right direction, has less value than was expected, since it merely wiped out direct slavery and did not affect the indirect slavery that is inseparable from the capitalist system—the slavery of the man who must work for a capitalist at the capitalist's own terms or starve to death. But the abolition of chattel slavery was unquestionably radical; and I am trying to emphasize that every forward step in human history has been radical in the sense that it meant an important divergence from previous policies.

Let us come to another important point. It is the point that there are many capable and conscientious American Communists and Socialists. The screams and outbursts against alien radicals are without foundation. Truth is international, and it is not required that facts must be

discovered in one's own country in order to gain recognition, but it will probably soothe and relieve certain reactionaries and "Nervous Nellies" if they realize that an American discovered the truth as soon as a native of a foreign land.

These hysterical complainants against the increasing popularity of the idea that government ownership and operation of industries may be a sensible innovation either do not know or pretend that they do not know how natively American is this doctrine of government ownership. If they will consult their American histories, they will find that Horace Greeley, Ralph Waldo Emerson, Albert Brisbane (father of Arthur Brisbane), Nathaniel Hawthorne, James Russell Lowell, and many other brilliant thinkers were interested in Brook Farm, one of the outstanding experiments in American communism, in which the social ownership and management of a community was attempted. I might add that Marx, author of the Communist Manifesto, was foreign correspondent for Horace Greeley's paper, the New York Tribune.

It seems to me a tremendous waste of time and effort to seek to establish the American origin of a fact, a philosophy, or a movement. How much more intelligent to recognize truth wherever it comes from and to realize that merit is what counts, not the color of one's skin or the national label one has attached to him? Yet, since some people are so bothered about the matter of nationality, let us make it clear, once and for all, that the proposal to have the Government own and operate the industries is as natively American as the idea of letting corporations own and operate them. With this point disposed of, perhaps we can consider the question itself. Evidently we cannot do so otherwise. Apparently the gentleman from New York [Mr. Fish] and the rest of the worried defenders of the sacredness of privately owned fortunes, will not permit consideration of any suggestions coming from anybody whose ancestors did not arrive via the *Mayflower*.

Mind you, I am not at this time going into the subject of government ownership. That is sufficiently broad to justify a separate speech. All I wish to do just now is to make it clear to several badly misinformed legislators that communism and socialism are exactly as American as republicanism, democracy, and other political philosophies. Collectivism has had as valiant defenders among native American stock as it ever had among men and women born in other lands. The leaders of the Communist movement in this country—and of the Socialists—are Yankees, with the usual background of American wage workers. Naturally, communism and socialism have their followers in all countries, just as have Christianity, Judaism, and temperance. Why not? What of it?

No more unjust form of prejudice exists than that directed against people because of their complexion, their accent, and their birthplaces.

The Christian religion is international and has followers in all lands. Has anybody suggested prosecuting the followers of Jesus of Nazareth because he was not born on American soil? No doubt Hitler would have recommended his crucifixion because he was a Jew. [Applause.]

Does anybody in his right mind advocate discrimination against musicians whose parentage was not on "the sidewalks of New York" or my own congressional district in Michigan or in the shadow of the General Electric Co. in Schenectady?

Are scientific inventions rejected because the inventor happened to be born in Belgium, Mesopotamia, Turkey, or Madagascar?

Now, if you can eliminate from your mind the objection against new ideas that may not have originated within the bounds of our own realm and proceed to consider these ideas on their merits, you will make a noticeable bit of progress.

This brings us to the question raised by Secretary Wallace in, "America must choose."

In considering it, I hope that we shall not allow extraneous matters to be dragged in.

I have attempted to point out to you that collectivism must be considered per se, free from the prejudice and passion associated with race, creed, color, and nationality. Whatever Dr. Wirt does to focus attention on this matter, is highly commendable. I am glad he has stirred up this discussion of economic problems—of the question whether we can continue along existing lines or must adopt a new program. Such a discussion is bound to prove informing and is to be welcomed. I give Dr. Wirt full credit for starting it. But he is on the wrong side of the fence and he will be disappointed in his hope that the people of the country will be shocked and angry because of progressive tendencies in the administration. What the people want is, not less radicalism, but more. They are not frightened at the prospect of Government interference with business. On the contrary, they are exasperated because the Government did not interfere long before this with the shameful robbery that has impoverished our citizens.

In a country whose Government was established through a revolution, suggestions of change ought not to excite fears. No people should be less reluctant to consider new procedure than the American people. In no spot on the earth should hard-boiled reaction and stubborn attachment to ancient ideas be less liked. The very spirit of America is that of progress, of change, of advancement, "Sail on"—the thought of pioneering into new realms, into uncharted seas, is the very essence of Americanism. [Applause.]

So much is said about things that are "American" and "un-American." Nothing is more un-American than adherence to obsolete opinions and a system that has served its purpose. Instead of shunning innovations and evading the duty of considering reforms, let us look them frankly in the face and give them impartial consideration.

You cannot salt the eagle's tail,
Nor limit thought's dominion;
You cannot put ideas in jail—
You can't deport opinion.

For though by thumbscrew and by rack,
By exile and by prison,
Truth has been crushed and palled in black,
Yet truth has always risen.

Our beloved Mark Twain in his Connecticut Yankee gave a definition of loyalty that is as far from the Wall Street definition as night from day, and that ought to be an inspiration to all of us:

You see, my kind of loyalty was loyalty to one's country, not to institutions or its officeholders. The country is the real thing; it is the thing to watch over and care for and be loyal to; institutions are extraneous, they are its mere clothing, and clothing can wear out, become ragged, cease to be comfortable, cease to protect the body from winter, disease, and death. To be loyal to rags, to shout for rags, to worship rags, to die for rags—that is a loyalty of unreason; it is pure animal; it belongs to monarchy; was invented by monarchy; let monarchy keep it. I was from Connecticut, whose constitution declared "That all political power is inherent in the people, and all free governments are founded on their authority and instituted for their benefit, and that they have at all times an undeniable and indefensible right to alter their form of government in such a manner as they think expedient." Under that gospel, the citizen who thinks that the Commonwealth's political clothes are worn out and yet holds his peace and does not agitate for a new suit, is disloyal; he is a traitor. That he may be the only one who thinks he sees this decay does not excuse him; it is his duty to agitate, anyway, and it is the duty of others to vote him down if they do not see the matter as he does.

And if you are not willing to accept the advice and viewpoint of Mark Twain, perhaps you will agree with that of Abraham Lincoln, whose ringing words should have the reverent respect of every lover of liberty throughout all the ages:

This country, with its institutions, belongs to the people who inhabit it. When they shall grow weary of the existing government, they can exercise their constitutional right of amending it or their revolutionary right to dismember or overthrow it!

[Applause.]

DISCONTINUE ADMINISTRATIVE FURLONGHS IN THE POSTAL SERVICE

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BEITER. Mr. Speaker—

The postal employee is an anarchist whose sole aim is the crushing of the objects of the National Economy League.

Such is the accusation hurled against the postal employees by special corporate interests which grow fat on the heart's blood of the underpaid. Each side makes its complaints, but the complaints of the postal employees are the saddest of all.

With a long series of developments, culminating in service conditions so serious as to now hamper the efficiency of the Post Office Department, through the infliction of salary cuts, compulsory furloughs, the suspension of promotions, and the filling of vacancies, the wage income of postal workers has been sharply reduced. That life for most of the postal substitutes is a hand-to-mouth existence is acknowledged by the Post Office Department through its official order under date of March 30, 1934, over the signature of the Postmaster General. The order reads as follows:

In any cases where substitute employees are in need of this relief (referring to C.W.A.) and the local agencies refuse to grant proper consideration, the matter should first be taken up personally with the officer in charge of the local agency, and if the employee's efforts are without avail a report thereof should be submitted to the Department.

Charity in any form has always seemed an abhorrent thing, and it must be so especially to the postal substitutes.

The nature of the furlough order throwing 26,000 postal substitutes out of employment and curtailing the income of all others in the Postal Service on the very day when President Roosevelt called upon private employers to employ more at higher wages and shorter hours and "do it now" is increased to the point of irony by this frank admission that the situation of those most severely affected by the order is sufficiently desperate to be the subject of specific orders of the Department. How much better, more logical, and humane, then, to completely revoke orders issued March 2 by the Postmaster General.

Certainly, to my mind, the response given by the postal employees to the announced policy of placing the Post Office Department on a self-sustaining basis has been most gratifying and has been consistently observed. A further application of additional economies during the next 4 months, through the 4-day furlough of all postal officials and employees in the field service and the elimination of substitute employment, as well as the reduction of city deliveries to one a day and other far-reaching service changes would be imposing added pay cuts upon the postal workers.

Mr. Speaker, no one can quarrel with Government economies that reduce waste and curtail needless services. However, the post-office economies lower the employees' living standards, inconvenience the public, and add to the public relief burden. It is interesting to note that the administration itself finds it necessary to deal more realistically with hours and wages of certain groups of its own employees, while General Johnson appeals to employers to shorten working hours, increase wages, and hire more workers—exactly the opposite direction.

But what should be done to remedy existing evils? Some advocate the Golden Rule as a remedy capable of producing an effect. No doubt its application would be of immense benefit. But since the suggestions as to the adoption of the Golden Rule come mostly from the administration, we have good reasons to assume that the postal employee would be the fellow who would be expected to follow it, especially when it comes to dealing with Postmaster General's orders. The latter would scarcely consider himself bound by its precepts. At any rate, as long as such orders are issued as 1-day payless furlough every month and the elimination of

substitute employment and other far-reaching service changes, we cannot believe the Post Office Department would be inclined to follow the dictates of the Golden Rule.

Someone once said, "There will be no industrial peace until every industrial worker receives an adequate share of the profits of his labor. It is unjust that the lion's share should be swallowed up by capital, while labor, the equal producer, should content itself with the leavings."

Mr. Speaker, the postal employee must eat, pay house rent, feed and clothe and rear his children just as an industrial worker must do. He must be guaranteed hours of toil that will not impair his health and undermine his strength. He must be given the opportunity to reap the benefits of the new deal just as the industrial worker has been given that opportunity through the National Recovery Administration. Industries and business houses of all classes report conditions are improving because public confidence is improving. The following Good Business News Notes were taken from a recent local publication:

One corporation increases, 2 vote extras, 1 pays initial and 1 accumulated dividends in day. Hard-coal output the past 2 months best for any like period in 8 years. January exports of automobiles highest of any month since August 1931. Atlantic Pacific sales rise 5.2 percent in latest 4-week period. United States Rubber Co. cuts 1933 loss to \$606,337, from \$10,358,374 in 1932. Class 1 railroads report \$30,931,205 net operating earnings in January, comparing with \$13,585,010 in like 1932 month. Dun & Bradstreet, Inc., reports long awaited upswing started in heavy industries, with wholesale and retail merchandising lines booming.

Why not elaborate on these flashes of good news by adding: "Post Office Department rescinds order dated March 2, 1934, with reference to payless furlough order"? Why should the regular employees—men and women who have given their life to public service at salaries small enough at any time—be subject to further reductions through the recent "furlough order"?

It inflicts harsh and unwarranted burdens on postal employees, and revocation should be made at once.

AIRCRAFT PROCUREMENT AND INCOME TAXES

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks by the insertion of certain statistical matter.

The SPEAKER. Is there objection?

There was no objection.

Mr. McFARLANE. Mr. Speaker, I rise to address the House at this time in regard to aircraft procurement, also particularly as it deals with the income-tax phases of the different aircraft companies selling equipment to our Government.

On March 29 I introduced a bill (H.R. 8891) that amends our income-tax laws in certain particulars, as follows:

Be it enacted, etc., That section 13 (a) of the Revenue Act of 1932 is amended to read as follows:

"(a) Rate of tax: There shall be levied, collected, and paid for each taxable year upon the net income of every corporation a tax of 13½ percent of the amount of the net income: *Provided*, That the tax levied, collected, and paid in the case of a corporation which derives, within the taxable year, income from a Government contract or contracts shall be the sum of (1) 13½ percent of the net income attributable to such Government contract or contracts, and (2) 13½ percent of the net income from other sources.

"For the purposes of this section the net income attributable to such Government contract or contracts shall be the gross amount of the income received within the taxable year from such Government contract or contracts less the deductions allowed by section 23 and properly allocable to such Government contract or contracts. The allocation of the deductions with respect to gross income derived from such Government contract or contracts and from other sources, respectively, shall be determined under rules and regulations prescribed by the Commissioner with the approval of the Secretary."

SEC. 2. Section 141 (d) of the Revenue Act of 1932 is amended to read as follows:

"(d) Definition of 'affiliated group': As used in this section an 'affiliated group' means one or more chains of corporations connected through stock ownership with a common parent corporation if—

"(1) At least 90 percent of the stock of each of the corporations (except the common parent corporation) is owned directly by one or more of the other corporations; and

"(2) The common parent corporation owns directly at least 90 percent of the stock of at least one of the other corporations.

"The term 'affiliated group' does not include a corporation which derived, within the taxable year, income from a Government contract or contracts. As used in this subsection the term 'stock' does not include nonvoting stock which is limited and preferred as to dividends."

SEC. 3. Section 1111 (a) of the Revenue Act of 1932 is amended by adding a new paragraph to read as follows:

"(15) The term 'Government contract' means (a) a contract made with the United States, or with any department, bureau, officer, commission, board, or agency, under the United States and acting in its behalf, or with any agency controlled by any of the above if the contract is for the benefit of the United States; or (b) a subcontract made with a contractor performing such a contract if the products or services to be furnished under the subcontract are for the benefit of the United States."

SEC. 4. The provisions of this act shall apply only to taxable years beginning after December 31, 1933.

This bill was introduced as a result of the study that I have made of the income-tax returns of the different companies selling the Navy aircraft equipment. I have in my office at this time a complete take-off of those income-tax figures relating to each company from 1929 to 1932, inclusive. I have in my hand a summary of the information contained in those returns, and it is about that information that I desire to speak to you at this time. There are four large holding companies controlling very largely the air industry today in this country, in all its different ramifications—transportation, manufacture, mail, local, and abroad. It may be of interest to you to know some of the salaries that have been paid by the Air Trust to some of their officers as shown by the income-tax returns filed by them insofar as the information is available at this time, as follows:

EXHIBIT A

	1928	1929	1930	1931	1932
NORTH AMERICAN AVIATION, INC.					
Directors' fees	\$2,000	\$7,150.00	(1)	(1)	(1)
Vice president		1,453.31	\$1,666.64		\$15,999.96
Secretary-treasurer		14,416.64	4,999.92	\$4,999.92	3,066.64
Assistant secretary-treasurer		3,391.66	2,038.32	6,312.50	4,962.50
Chairman		(1)	(1)	(1)	46,666.65
President		(1)	(1)	(1)	2,333.32
Sperry Gyro Scope Co., Inc.:					
President			20,000.00	9,999.96	14,300.00
Vice president			17,000.00	22,711.55	7,600.00
Treasurer			3,000.00	3,000.00	2,250.00
Secretary			9,000.00	9,000.00	8,580.00
Assistant treasurer			6,000.00	11,700.00	9,084.00
Assistant treasurer and auditor			(1)	(1)	5,595.00
Treasurer and assistant secretary			(1)	(1)	1,500.00
Chairman			(1)	(1)	4,500.00
Eastern Air Transport:					
President			10,000.00	15,000.00	13,000.00
Vice president			10,999.98	15,000.00	13,000.00
Assistant secretary and treasurer			4,660.02	5,500.02	5,600.00
Vice chairman of board			(1)	(1)	1,333.33
Ford Instrument Co.:					
Secretary-treasurer			3,000.00	9,000.00	6,500.00
President			94,241.39	75,516.92	37,500.00
Assistant secretary-treasurer			16,898.52	5,200.00	4,435.64
Vice presidents			(1)	21,800.00	16,500.00
B/J Aircraft Co.:					
Vice president			5,555.58	10,187.50	9,546.88
Assistant secretary			(1)	716.62	2,624.98
Secretary-treasurer			(1)	(1)	2,170.46
Assistant secretary-treasurer			(1)	(1)	2,362.50
President			(1)	(1)	9,062.46
Condor Corporation:					
Treasurer					2,666.56
Assistant treasurer					1,600.00
BENDIX AVIATION CORPORATION					
President			50,000.00	50,000.00	45,520.84
Vice president			15,000.00	3,750.00	16,875.00
Treasurer			19,800.00	16,750.00	
Secretary			6,000.00	6,000.00	5,757.50
Assistant treasurer			(1)	4,400.00	4,568.44
Bendix Brake Co.:					
All		17,034.08			
Vice president			21,999.96	25,749.99	4,500.00
Delco Aviation Corporation:					
All		4,227.00			
President			7,500.00	7,500.00	937.50
Assistant secretary			(1)	(1)	786.54
American Propeller Co.:					
All		4,000.00			
Vice president			8,000.00	(1)	(1)
Pioneer Instrument Co.:					
All		19,450.00			
President			24,000.00	24,000.00	(1)
EXHIBIT A—Continued					
	1928	1929	1930	1931	1932
BENDIX AVIATION CORPORATION—continued					
Pioneer Instrument Co.—Con.					
Vice president			\$6,800.00	\$8,675.00	\$9,958.24
Treasurer			4,900.00	5,090.64	(1)
Secretary			4,272.50	1,976.00	(1)
Secretary-assistant treasurer			(1)	175.00	(1)
Assistant treasurer-secretary			(1)	(1)	5,758.70
Chairman			(1)	(1)	7,000.00
Scintilla Magneto Co.:					
All		\$21,375.23			
Vice president			21,500.00	21,166.64	18,833.28
Secretary-treasurer			6,600.00	6,600.00	5,912.50
Eclipse Machine Co.:					
All		47,399.94			
President			36,999.96	36,999.96	31,604.16
Vice president			31,999.92	31,999.92	27,333.33
Secretary-treasurer			17,916.66	9,999.96	9,999.96
Bendix Cowdrey Brake Tester, Inc.:					
Vice president			8,617.50	8,220.00	1,270.00
Bendix Stromberg Carburetor Co.:					
President			34,999.92	8,749.98	(1)
Vice president			25,250.00	28,500.00	5,000.00
Secretary			2,187.50	(1)	(1)
Assistant secretary			4,400.00	4,800.00	800.00
Bragg Kliersath Corporation:					
Vice president			14,454.00	15,600.00	2,600.00
Assistant treasurer			4,820.00	4,680.00	740.00
Chas. Cory Corporation:					
Vice president			4,800.00	(1)	(1)
Treasurer			2,520.00	(1)	(1)
Assistant treasurer			(1)	3,600.00	3,225.00
Aircraft Control Corporation:					
President			4,999.98	9,615.50	833.34
Vice president			4,999.98	9,615.50	(1)
Eclipse Aviation Corporation:					
President			25,000.00	25,000.00	24,635.50
Vice president			15,000.00	15,000.00	14,812.50
Treasurer			6,883.34	6,937.50	7,421.88
Hydraulic Brake Co.:					
President			11,550.00	15,000.00	13,125.00
Vice president			2,465.00	15,000.00	13,125.00
Assistant treasurer			(1)	4,480.00	3,665.00
Julian P. Frieze & Sons, Inc.:					
President			5,000.00	9,589.99	1,812.48
Vice president			5,000.00	10,000.00	9,046.53
Assistant secretary			(1)	(1)	1,436.50
Brandis & Sons, Inc.:					
President				817.29	
Bendix Service Corporation:					
Secretary				3,192.00	
Assistant treasurer				3,375.00	
Bendix Products Corporation:					
Vice president					32,206.25
Molded Insulation Co.:					
President					1,817.36
UNITED AIRCRAFT & TRANSPORT CORPORATION					
Chairman			37,500.07	(1)	(1)
President			35,000.07	216,122.27	98,750.10
Secretary-treasurer			4,375.03	5,000.04	4,937.70
Comptroller			8,200.03	16,600.03	27,250.20
Vice president			14,000.00	9,166.68	23,583.39
Assistant comptroller			(1)	(1)	7,887.34
United Aircraft & Transport of Connecticut:					
Vice president			14,000.02	24,725.10	49,466.87
President			(1)	146,025.49	47,500.32
Pratt-Whitney Aircraft Co.:					
President			380,668.04	30,000.04	79,080.90
Secretary-treasurer			4,375.03	34,600.00	39,435.36
Vice president			191,081.43	112,230.96	13,500.00
Assistant secretary-treasurer			7,020.00	(1)	(1)
Chairman			(1)	(1)	50,000.13
Boeing Airplane Co.:					
Chairman			27,000.00	26,000.00	(1)
President			12,500.00	27,538.42	39,200.44
Vice president			20,000.00	23,657.24	30,263.09
Treasurer			5,000.00	7,785.52	4,695.55
Chief engineer			7,000.00	(1)	(1)
Assistant to president			7,500.00	(1)	(1)
Secretary			(1)	900.00	3,750.00
Chance Vought Corporation:					
President			52,981.12	(1)	12,500.00
Vice president			22,331.45	38,100.00	20,066.72
Secretary			3,500.07	2,000.04	(1)
Assistant secretary			(1)	(1)	4,566.70
Assistant treasurer			(1)	(1)	5,400.00
Chairman			(1)	(1)	14,583.38
Sikorsky Aviation Corporation:					
President			6,602.40	16,416.61	14,975.00
Vice president			12,153.65	48,550.00	13,500.00
Secretary-treasurer			(1)	11,500.00	9,000.00
Assistant secretary			(1)	(1)	6,390.00
Northrop Aircraft Corporation, Ltd.:					
President			2,234.90	5,100.00	8,000.00
Vice president			2,234.90	5,100.00	8,000.00

¹ Salary not shown on income-tax return.

¹ Salary not shown on income-tax return.

EXHIBIT A—Continued

	1928	1929	1930	1931	1932
UNITED AIR CORPS & TRANSPORT CORPORATION—con.					
Starman Aircraft Co.:					
President.....	\$1,500.00	\$5,000.00	\$5,000.00	\$1,500.00	
Vice president.....	1,500.00	6,000.00	11,499.98	4,200.00	
Treasurer.....	900.00	6,000.00	(1)	4,650.00	
Secretary.....	(1)	5,000.00	(1)	(1)	
Hamilton Standard Propeller Corporation:					
President.....	3,856.00	16,559.27	13,353.75	10,000.00	
Vice president.....	188.00	9,528.56	15,299.96	3,500.00	
Chairman.....	6,500.01	9,999.96	11,853.76	(1)	
Secretary.....	(1)	6,669.94	4,499.94	3,953.30	
Treasurer.....	(1)	4,945.25	4,499.94	2,083.30	
Hamilton Manufacturing Co.:					
President.....	17,470.84				
Secretary.....	180.00				
Boeing Air Transport Inc.:					
President.....	12,500.00	12,000.00	19,875.00	19,496.98	
Vice president.....	10,000.00	11,000.00	18,500.00	26,000.04	
Secretary.....	695.19	900.00	3,317.50	225.00	
Treasurer.....	2,500.00	3,000.00	4,624.98	5,625.00	
Chairman.....	27,000.00	2,600.00	(1)	(1)	
Assistant treasurer.....	(1)	(1)	2,962.50	5,171.86	
Assistant secretary.....	(1)	(1)	(1)	2,250.00	
Stout Air Service, Inc.:					
Vice president.....	5,100.00	6,800.00			
Secretary.....	250.00	2,675.00			
United Aircraft Exports, Inc.:					
President.....	14,836.66	34,873.46	25,687.60	21,114.67	
Vice president.....	(1)	(1)	7,400.09	5,700.06	
Treasurer.....	(1)	2,000.04	(1)	(1)	
Assistant comptroller.....	(1)	(1)	2,000.16	1,100.08	
Assistant to president.....	(1)	(1)	(1)	3,229.96	
National Air Transport:					
President.....		16,666.70	7,875.00	19,496.98	
Vice president.....		11,250.00	37,900.00	25,499.99	
Secretary-treasurer.....		(1)	2,625.00	5,950.00	
Assistant secretary.....		(1)	787.50	2,250.00	
Assistant treasurer.....		(1)	7,400.00	5,171.87	
Varney Airlines Inc.:					
President.....		12,500.00	2,625.00	6,498.99	
Vice president.....		4,150.00	35,900.00	13,400.00	
Secretary-treasurer.....		(1)	875.00	1,950.00	
Assistant secretary.....		(1)	262.50	750.00	
Assistant treasurer.....		(1)	850.00	1,723.96	
Chairman.....		(1)	(1)	24,999.95	
United Airports of California, Ltd.:					
President.....		9,999.97	4,999.98	(1)	
Vice president.....		(1)	3,350.00	4,200.00	
Secretary.....		(1)	(1)	2,700.00	
United Airports of Connecticut, Inc.: All.....		4,750.06			
Pacific Air Transport:					
President.....			8,625.00	6,498.99	
Vice president.....			10,000.00	12,500.00	
Secretary-treasurer.....			3,624.98	1,950.00	
Assistant secretary.....			1,102.50	750.00	
Assistant treasurer.....			3,962.44	1,733.96	
Hamilton Standard Propeller Co.:					
Chairman.....			3,750.00		
President.....			3,000.00		
Vice president.....			2,100.00		
Secretary.....			1,249.98		
Treasurer.....			1,249.98		
CURTISS-WRIGHT CORPORATION					
Chairman.....			89,940.00	(1)	(1)
President.....			10,050.00	(1)	(1)
Vice president and executive secretary.....			25,613.33	(1)	(1)
Vice president.....			45,553.35	(1)	(1)
Secretary.....			7,000.00	(1)	(1)
Treasurer.....			11,300.00	(1)	(1)
Assistant treasurer.....			7,349.00	(1)	(1)
Curtiss Airplane & Motor Co., Inc.:					
Vice president.....			14,750.00	(1)	(1)
Vice president and chief engineer.....			14,750.00	(1)	(1)
Vice president and treasurer.....			11,800.00	(1)	(1)
Assistant secretary and treasurer.....			7,375.00	(1)	(1)
Vice president and secretary.....			3,750.00	(1)	(1)
Wright Aeronautical Corporation:					
President.....			18,339.20	(1)	(1)
Vice president.....			10,416.00	(1)	(1)
Treasurer.....			8,800.00	(1)	(1)
Assistant treasurer.....			4,048.00	(1)	(1)
Assistant secretary.....			1,518.00	(1)	(1)
Keystone Aircraft Corporation:					
President.....			15,000.00	(1)	(1)
Vice president.....			15,833.36	(1)	(1)
Treasurer.....			9,000.00	(1)	(1)
Curtiss-Wright Airplane Co. of Delaware:					
President.....			2,416.64	(1)	(1)
Vice president.....			3,425.00	(1)	(1)
Assistant treasurer.....			5,666.70	(1)	(1)
Factory manager.....			3,850.00	(1)	(1)

¹ Salary not shown on income-tax return.

EXHIBIT A—Continued

	1928	1929	1930	1931	1932
CURTISS-WRIGHT CORPORATION—con.					
Curtiss-Wright Airplane Co., Missouri:					
President.....			\$7,416.56	(1)	(1)
Vice president.....			3,425.00	(1)	(1)
Treasurer.....			6,874.98	(1)	(1)
Moth Aircraft Corporation:					
President.....			1,000.00	(1)	(1)
Vice president.....			625.00	(1)	(1)
Curtiss-Wright Airports Corporation:					
Vice president.....			6,583.28	(1)	(1)
Treasurer.....			875.00	(1)	(1)
Assistant treasurer.....			875.00	(1)	(1)
New York Air Terminals, Inc.:					
Assistant treasurer and manager.....			3,000.00	(1)	(1)
New York & Suburban Air Lines, Inc.: Vice president.....			3,333.32	(1)	(1)
¹ Salary not shown on income-tax return.					
	Tax assessed consolidated returns	Approximate tax separate returns	Difference	Loss to United States due to consolidated returns	
Bendix Aviation Corporation:					
1929.....	\$388,298.43	\$429,949.83	\$41,645.40		
1930.....	103,264.18	339,183.00	235,918.82		
1931.....	None	281,433.30	281,433.30		
1932.....	None	66,865.97	66,865.97		
Total.....					\$625,863.49
Curtiss-Wright Corporation:					
1930.....	None	51,815.90	51,815.90		
1931.....	None	None			
1932.....	None	49,893.41	49,893.41		
Total.....					101,709.31
North American Aviation Inc.:					
None consolidated:					
1928.....	798.90	798.90			
1929.....	148,074.20	148,074.20			
Consolidated:					
1930.....	115,119.54	184,949.86	69,830.32		
1931.....	None	68,330.37	68,330.37		
1932.....	None	12,820.06	12,820.06		
Total.....					150,980.75
United Aircraft & Transport Corporation:					
1929.....	1,027,501.56	1,069,436.39	41,934.83		
1930.....	378,866.32	678,326.71	299,460.39		
1931.....	262,282.32	608,212.54	345,930.22		
1932.....	315,105.84	482,730.69	167,624.85		
Total.....					854,959.29
Aviation Corporation:					
1929.....	None	142,645.36	142,645.36		
1930.....	None	99,144.96	99,144.96		
1931.....	None	71,664.12	71,664.12		
Total.....					313,454.44
Total loss of revenue to Government due to companies having Government contracts filing consolidated income-tax returns (the 1918 law required separate return and payment of tax on all Government contracts).					
					2,046,967.28
Total compensation to officers as shown by the income-tax returns					
Bendix Aviation Corporation:					
1929.....					\$115,486.25
1930.....					466,176.30
1931.....					543,414.87
1932.....					322,496.85
North American Aviation, Inc.:					
1928.....					2,000.00
1929.....					26,416.61
1930.....					214,760.35
1931.....					215,444.99
1932.....					254,940.83
Curtiss-Wright Corporation:					
1930.....					289,576.72
1931.....					(1)
1932.....					(1)

¹ Not shown.

Total compensation to officers as shown by the income-tax returns—Continued

United Aircraft & Transport Corporation:

1929.....	1,042,441.41
1930.....	879,536.07
1931.....	906,489.71
1932.....	725,662.91

It may be especially of interest to some of the new Members to go into this matter just a little bit, to understand how this aircraft racket has worked in this country. The same crowd, very largely, that is in the saddle in the air industry today were in control of this industry during the war, and a study of the set-up of the personnel will convince you that that is true. Col. E. A. Deeds and H. E. Talbott, George B. Smith, Charles F. Kettering, and the others were connected directly or indirectly in the sale of aircraft equipment to the Government during the war, and they sold quite a lot of equipment and experience to the Government for which they and their friends collected more than a billion and a half of dollars, and according to the investigations and the records that have been made by Chief Justice Hughes, who at that time made a personal investigation at the request of the President, there were something like 100 observation planes being used on the front in France at the signing of the Armistice. There were something like 215 or 220 more such planes at the front subject to being used. That is what the United States realized out of an investment of more than a billion and a half dollars.

Studying the air industry from that time down to date, we learn quite a lot of interesting things about the maneuvers and the activities of this group. They have not been interested in developing aircraft equipment and war-plane engines to improve the efficiency of our national defense. They have been interested only in one thing, and that is selling the Government equipment for the best price obtainable, and they have gone into this matter with that primarily in view. We find these holding corporations paying their officers large salaries as shown by the above tables.

You will notice that in 1929 the Pratt Whitney Aircraft Co. paid its president, Mr. Fred Rentsler, \$380,668.04 and the same year he received \$35,000.07 as president of the United Aircraft & Transportation Corporation and quite a few of the officers of the subsidiaries of this and other holding corporations were drawing similar salaries from the subsidiaries and the holding corporations through such manipulations.

AIRPLANE-ENGINE MANUFACTURERS

We find that in 1926 there was but one large airplane-engine manufacturing concern in this country, Wright Aeronautical Co., and during 1926 we find Colonel Deeds, Rentsler, and others organizing the Pratt Whitney Aircraft Corporation to manufacture airplane engines. Testimony before our committee showed the stock of this concern on organization had no value; however, shortly thereafter, when they had secured enormous Government contracts, their stock was placed on the board at \$97 per share, and within a short period of time increased to \$336 per share. This company and the Wright Aeronautical Corporation comprise the two principal airplane-engine manufacturing concerns in the United States, and, according to the testimony before our committee, there is very little competition between them in the different categories in the sale of their equipment to the Navy Department.

We find them making enormous profits. We find that when the different investigation committees were checking them a little too closely they then organized holding corporations.

The SPEAKER. The time of the gentleman from Texas [Mr. McFarlane] has expired.

Mr. McFarlane. I ask unanimous consent, Mr. Speaker, to proceed for 5 additional minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McFarlane. Under the law which they and others succeeded in having passed permitting them to file con-

solidated returns, they have defrauded our Government out of millions of dollars.

Mr. GOSS. Will the gentleman yield?

Mr. McFarlane. I yield.

Mr. GOSS. Will the gentleman be good enough, having made these accusations, to tell us where they have defrauded the Government?

Mr. McFarlane. I am going to put these charts in the Record.

Mr. GOSS. Will the gentleman tell us now? I am interested. As the gentleman knows, I am a member of a committee which is studying that question now.

Mr. McFarlane. Very well. I will give the gentleman the information right now.

Mr. GOSS. I say that, because the Government is supposed to audit these concerns.

Mr. McFarlane. That is true. The hearings before the Naval Affairs Committee show that they wrote letters to these different concerns, telling them they were going to come up there and check their books, and they came up there and they looked over their books, made their examination. They did not call it an audit. They called it an examination of their books. Then they returned to Washington. That is the only audit that we have. We do not have men located in their plants particularly checking the overhead, as to what officials are working on Government contracts and what are working on commercial contracts. We have no one checking the accuracy of their accounts. And according to their own books and figures they are making enormous profits.

Mr. GOSS. Now, I have been over some of the audits personally. I am not particularly taking the floor to defend those, because we are in the midst of our investigation, but I want to say that they have separated out the overheads on what has been spent on Army and Navy contracts versus commercial contracts.

Mr. McFarlane. Answering the gentleman, I will say that I will furnish the gentleman with a copy of the hearings before the Committee on Naval Affairs. As to the break-down for Army, Navy, and commercial, yes; those three are separated, but the point I am making is that there was not any Government official present at any of their plants making that separation and checking the personnel to see that the division of labor, as to the kind and character of work being performed, the wages paid, and so forth, was fair to the Government, and we simply took their ipse dixit as to what the separation was.

Mr. GOSS. We had an auditor from the War Department testify before the Military Affairs Committee under oath that he did make the separation.

Mr. McFarlane. If they had that in the Military Affairs Committee, and you check them closely, I imagine you will find they did the same as they did in the Naval Affairs Committee. It is not their fault. It is the fault of Congress, because we have not enacted laws and made appropriations requiring those things. They took their own audit, their own figures.

They have a right to require further information if they want it, but on particular questioning of the gentleman who makes these audits for the Bureau of Supplies and Accounts for the Navy, it was shown that they did not maintain any personnel in any one of these plants for the purpose of checking these things over, as to what part of the personnel is being used in commercial phases, as to what personnel is being used in Army or Navy contracts or in other Government contracts.

Mr. GOSS. I do not want to interrupt the gentleman, but I hope he will confine his remarks to the investigation before the Naval Affairs Committee, because I do not know anything about the Navy. I am on the Military Affairs Committee, and the gentleman has not attended the meetings before that committee. We are going to make a full report, and I do not think the gentleman should confuse the two Departments.

Mr. McFARLANE. We brought out all this information in the Naval Affairs Committee and the complete breakdown as it was furnished by these concerns to the Navy Department are in the record of our hearings. Of course, the gentleman's committee will make their own report.

Mr. DONDERO. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. DONDERO. The gentleman made an interesting statement, in that all that the Government got for over a billion dollars was 300 airplanes.

Mr. McFARLANE. That much in use at the front. We got a lot of experience, and some planes that were considered obsolete that were delivered later on, but that is all that we received at the time of the signing of the armistice.

Mr. DONDERO. A rather expensive investment.

Mr. McFARLANE. A rather expensive investment, and we ought to profit by it. We ought to change a system of Government aircraft procurement that allows that to go on and continue, such as we are having today.

NO COMPETITION IN AIRCRAFT PROCUREMENT

It was the clearly expressed intention of the Aircraft Act of 1926 to permit procurement of experimental aircraft without competitive bidding. This act gave to the Secretary of War and the Secretary of the Navy special privileges in this regard not allowed even other branches of the Government in the procurement of their aircraft. Their interpretation of Government contract was to prevail instead of the Comptroller's Department having the final say, as is the case of procurement of aircraft for the other six or seven departments of Government purchasing the same, and in this regard it may be pointed out that these other departments have been able to purchase their aircraft through competition considerably cheaper than have the Army and Navy where little or no competition has been had in such purchases.

It was the expressed intention of the Aircraft Act after the experimental stage had been passed to require open competitive bidding in the procurement of production contract. The negotiation stage had passed. The Government had decided what aircraft it wanted. Then in all fairness the act clearly specifies open competition must be had, but the records of the Comptroller's office show that both departments have continued to disregard the law and purchase a large part of their aircraft without open competitive bidding on production contracts. The law is plain and the legal staffs of both the Army and the Navy have clearly construed it as it is written, that the act requires open competitive bidding on production contracts. A bill to nullify this law was offered by Hon. CARL VINSON in January 1928, H.R. 9359, to permit procurement of production contracts without open competitive bidding, and this measure was not reported out of the Military Affairs Committee. This Congress should not adjourn until this matter is fully and completely gone into and the parties disregarding the clearly expressed intention of Congress dealt with accordingly.

INCOME TAX

Now, with regard to the income-tax phase of this question, I have before me here charts I have inserted in the RECORD, that shows how much these different aircraft concerns have saved for themselves through being allowed to file consolidated returns instead of being required to file separate returns on all Government contracts as required under the law of 1918.

The SPEAKER. The time of the gentleman from Texas [Mr. McFARLANE] has again expired.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

Mr. TABER. Mr. Speaker, reserving the right to object, it seems to me the gentleman should conclude in less time than that.

Mr. McFARLANE. I think I can conclude before that, but I would like to get as much as possible of this information before you.

Mr. TABER. If the gentleman would make it 3 minutes and then extend it in the RECORD.

Mr. McFARLANE. All right.

The SPEAKER. Without objection, the gentleman from Texas is recognized for 3 additional minutes.

Mr. McFARLANE. We find that the Bendix Aviation Corporation has saved, through the filing of consolidated returns, and in the change of income-tax laws which have been changed since the law of 1918, the sum of \$625,863.49 in money they would have been required to pay to the Government had the law not been changed and had they been required to file separate returns rather than consolidated returns.

The Curtiss-Wright Corporation saved \$101,709.31 in the same way. The North American, or the General Motors Corporation, has saved \$150,980.75. United Aircraft & Transport Corporation has saved \$854,959.29. The Aviation Corporation of America has saved \$313,454.44. These five holding corporations have saved primarily on Government contracts through the filing of consolidated returns \$2,046,967.28.

This should be very significant to Congress as indicative of what is being saved by different corporations throughout the United States. In other words through the filing of consolidated returns they are depriving the Government of this amount of taxes. Reasoning the thing out a little further let us consider a family of 10 children, all of age and making good income. Is there any reason why these 10 separate families should be allowed to file a consolidated return and in this way deprive the Government of the tax it would receive did each of them file a separate return? Under existing law, however, the corporations are depriving this Government of millions of dollars through the filing of consolidated returns. It is not right; it is not fair; it is not just to the Government that this situation be allowed to continue.

We should speedily reenact into law the above measure which is in keeping with the same provision during the World War. If there ever was a time in the history of our country when we were at war it is now. We are in the midst of the greatest of all wars—to end the depression. We need more revenue from those most able to pay. If this measure was right during the World War, it is right now and should be enacted to raise more revenue for our badly depleted Treasury. [Applause.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order that a quorum is not present.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ZIONCHECK, for today, on account of official business.

To Mr. RAMSPECK, for 5 days, on account of death in family.

To Mr. CROSBY, for 5 days, on account of important business.

To Mr. HESS, indefinitely, on account of illness.

PAYMENT OF BONUS

Mr. THOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOM. Mr. Speaker, in casting my vote against the immediate payment of the soldiers' bonus, I was controlled by the following considerations:

While business is showing remarkable improvement over the black conditions of a year ago, the volume of unemployment is still such that I feel our governmental borrowing and spending power should be chiefly employed until the end of this critical period to accomplish these objects:

First to insure that no person in the whole United States shall lack food; second, to furnish jobs at fair wages to as many able-bodied persons as possible through soundly conceived work programs in lieu of direct money or food grants.

Recognizing that there is a limit to our spending power unless we want to resort to printing-press money that would invite financial chaos such as we have just emerged from, after taking care of the objects enumerated above, I should

be disposed if compatible with preserving the national credit to extend loans to our collapsing school system where such loans are imperative for its continuance and to hospitals in financial straits that minister to those who are in even more distress than the unemployed.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2729. An act to repeal an act of Congress entitled "An act to prohibit the manufacture or sale of alcoholic liquors in the Territory of Alaska, and for other purposes", approved February 14, 1917, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 305. An act for the relief of Ernest B. Butte;
H.R. 469. An act for the relief of Lucy Murphy;
H.R. 881. An act for the relief of Primo Tiburzio;
H.R. 1403. An act for the relief of David I. Brown;
H.R. 2342. An act for the relief of Lota Tidwell, the widow of Chambliss L. Tidwell;

H.R. 2509. An act for the relief of John Newman;
H.R. 2639. An act for the relief of Charles J. Eisenhower;
H.R. 2990. An act for the relief of George G. Slonaker;
H.R. 3521. An act to reduce certain fees in naturalization proceedings, and for other purposes;

H.R. 3997. An act for the relief of Erney S. Blazer;
H.R. 4056. An act for the relief of Emma F. Taber;
H.R. 4252. An act for the relief of Mary Elizabeth O'Brien;
H.R. 4268. An act for the relief of Joe Setton;
H.R. 5007. An act for the relief of Lissie Maud Green;
H.R. 6084. An act for the relief of Lottie W. McCaskill;
H.R. 6525. An act to amend the act known as the "Perishable Agricultural Commodities Act, 1930", approved June 10, 1930;

H.R. 6822. An act for the relief of Warren F. Avery;
H.R. 7599. An act authorizing the Reconstruction Finance Corporation to make loans to nonprofit corporations for the repair of damages caused by floods or other catastrophes, and for other purposes; and

H.R. 8046. An act to provide a penalty for the knowing or willful presentation of any false written instrument relating to any matter within the jurisdiction of any Department or agency of the Government with intent to defraud the United States.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 35 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 10, 1934, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, April 10, 10 a.m.)

Hearings on H.R. 8301—communications.

EXECUTIVE COMMUNICATIONS, ETC.

403. Under clause 2 of rule XXIV a letter from the Secretary of War, transmitting draft of a proposed joint resolution providing that the provisions of section 23 of the Independent Offices Appropriation Act for the fiscal year 1935, passed March 28, 1934, shall not be applied to employees of the Panama Canal on the Isthmus of Panama, was taken from the Speaker's table and referred to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LANHAM: Committee on Public Buildings and Grounds. H.R. 8889. A bill to provide for the custody and

maintenance of the United States Supreme Court Building and the equipment and grounds thereof; without amendment (Rept. No. 1150). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. Senate Joint Resolution 70. A joint resolution to provide for the reappointment of John C. Merriam as a member of the Board of Regents of the Smithsonian Institution; without amendment (Rept. No. 1151). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. House Joint Resolution 302. A joint resolution authorizing the creation of a Federal Memorial Commission to consider and formulate plans for the construction, on the western bank of the Mississippi River, at or near the site of old St. Louis, Mo., of a permanent memorial to the men who made possible the territorial expansion of the United States, particularly President Thomas Jefferson and his aides, Livingston and Monroe, who negotiated the Louisiana Purchase, and to the great explorers Lewis and Clark, and the hardy hunters, trappers, frontiersmen, and pioneers and others who contributed to the territorial expansion and development of the United States of America; without amendment (Rept. No. 1152). Referred to the House Calendar.

Mr. DIMOND: Committee on the Territories. S. 2811. An act to authorize the incorporated city of Juneau, Alaska, to issue bonds in any sum not exceeding \$100,000 for municipal public works, including regrading and paving of streets and sidewalks, installation of sewer and water pipe, construction of bridges, construction of concrete bulkheads, and construction of refuse incinerator; with amendment (Rept. No. 1153). Referred to the House Calendar.

Mr. DIMOND: Committee on the Territories. S. 2812. An act to authorize the incorporated city of Skagway, Alaska, to issue bonds in any sum not exceeding \$40,000, to be used for the construction, reconstruction, replacing, and installation of a water-distribution system; with amendment (Rept. No. 1154). Referred to the House Calendar.

Mr. DIMOND: Committee on the Territories. S. 2813. An act to authorize the incorporated town of Wrangell, Alaska, to issue bonds in any sum not exceeding \$47,000 for municipal public works, including enlargement, extension, construction, and reconstruction of water-supply system; extension, construction, and reconstruction of retaining wall and filling, and paving streets and sidewalks; and extension, construction, and reconstruction of sewers in said town of Wrangell; with amendment (Rept. No. 1155). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. H.R. 8910. A bill to establish a National Archives of the United States Government, and for other purposes; with amendment (Rept. No. 1156). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 19. A joint resolution to make available to Congress the services and data of the Interstate Legislative Reference Bureau; without amendment (Rept. No. 1157). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 248. A joint resolution to authorize the erection on public grounds in the District of Columbia of a stone marker designating the zero milestone of the Jefferson Davis National Highway; without amendment (Rept. No. 1158). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. Senate Joint Resolution 21—Authorizing the erection in Washington, D.C., of a monument in memory of Col. Robert Ingersoll; without amendment (Rept. No. 1159). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. H.R. 8865. A bill to amend section 1 of the act approved May 6, 1932 (47 Stat. 149; U.S.C., supp. VII, title 34, sec. 12); without amendment (Rept. No. 1164). Referred to the Committee of the Whole House on the state of the Union.

Mr. JEFFERS: Committee on the Civil Service. H.R. 1613. A bill to amend the act of May 29, 1930, for the

retirement of employees in the classified civil service; without amendment (Rept. No. 1173). Referred to the Committee of the Whole House on the state of the Union.

Mr. SWEENEY: Committee on the Post Office and Post Roads. H.R. 8919. A bill to adjust the salaries of rural letter carriers, and for other purposes; with amendment (Rept. No. 1174). Referred to the Committee of the Whole House on the state of the Union.

Mr. STUDLEY: Committee on the Post Office and Post Roads. H.R. 7340. A bill to authorize the Post Office Department to hold contractors or carriers transporting the mails by air or water on routes extending beyond the borders of the United States responsible in damages for the loss, rifling, damage, wrong delivery, depredations upon, or other mistreatment of mail matter due to fault or negligence of the contractor or carrier, or an agent or employee thereof; without amendment (Rept. No. 1175). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ELTSE of California: Committee on Naval Affairs. House Joint Resolution 108. A joint resolution authorizing the President of the United States to present the Distinguished Flying Cross to Emory B. Bronte; without amendment (Rept. No. 1160). Referred to the Committee of the Whole House.

Mr. BURNHAM: Committee on Naval Affairs. H.R. 4151. A bill correcting date of enlistment of Elza Bennett in the United States Navy; without amendment (Rept. No. 1161). Referred to the Committee of the Whole House.

Mr. SUTPHIN: Committee on Naval Affairs. H.R. 5057. A bill for the relief of John E. Fendahl; without amendment (Rept. No. 1162). Referred to the Committee of the Whole House.

Mr. KNIFFIN: Committee on Naval Affairs. H.R. 5794. A bill for the relief of Carl A. Butler; without amendment (Rept. No. 1163). Referred to the Committee of the Whole House.

Mr. DUNCAN of Missouri: Committee on Military Affairs. S. 1288. An act for the relief of Otto Christian; without amendment (Rept. No. 1165). Referred to the Committee of the Whole House.

Mr. DUNCAN of Missouri: Committee on Military Affairs. H.R. 6580. A bill for the relief of Joseph J. McMahon; without amendment (Rept. No. 1166). Referred to the Committee of the Whole House.

Mr. DUNCAN of Missouri: Committee on Military Affairs. H.R. 5341. A bill for the relief of Harrison Brainard, alias Harry White; without amendment (Rept. No. 1167). Referred to the Committee of the Whole House.

Mr. DUNCAN of Missouri: Committee on Military Affairs. H.R. 4213. A bill for the relief of George McCourt; without amendment (Rept. No. 1168). Referred to the Committee of the Whole House.

Mr. MAY: Committee on Military Affairs. H.R. 3015. A bill for the relief of Daniel W. Seal; without amendment (Rept. No. 1169). Referred to the Committee of the Whole House.

Mr. MAY: Committee on Military Affairs. S. 1287. An act for the relief of Leonard Theodore Boice; without amendment (Rept. No. 1170). Referred to the Committee of the Whole House.

Mr. MAY: Committee on Military Affairs. H.R. 2030. A bill for the relief of John H. LaFitte; without amendment (Rept. No. 1171). Referred to the Committee of the Whole House.

Mr. MAY: Committee on Military Affairs. H.R. 7365. A bill to correct and complete the military record of Carl Lindow, known also as "Carl Lindo"; without amendment (Rept. No. 1172). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FERNANDEZ: A bill (H.R. 8997) to provide for the examination and survey of Bayou St. John in the State of Louisiana, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. DISNEY: A bill (H.R. 8998) to regulate the manufacture and sale of stamped envelopes; to the Committee on the Post Office and Post Roads.

By Mr. FOSS: A bill (H.R. 8999) to amend the postal laws relating to the appointment of acting postmasters; to the Committee on the Post Office and Post Roads.

By Mr. HAINES: A bill (H.R. 9000) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Holtwood, Lancaster County; to the Committee on Interstate and Foreign Commerce.

By Mr. KINZER: A bill (H.R. 9001) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Bainbridge, Lancaster County, and Manchester, York County; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas: A bill (H.R. 9002) to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes; to the Committee on the Judiciary.

By Mr. KELLER: A bill (H.R. 9003) to purchase and erect in the city of Washington the group of statuary known as the "Indian Buffalo Hunt"; to the Committee on the Library.

By Mr. ELLENBOGEN: A bill (H.R. 9004) to increase the fee for jurors, to provide additional fees for lodging and subsistence expenses for those residing outside the city or municipality where the court is sitting, and for other purposes; to the Committee on the Judiciary.

By Mr. CARTER of California: A bill (H.R. 9005) to amend Public Law No. 249, Seventy-first Congress, entitled "An act to authorize the Secretary of the Navy to dispose of material no longer needed by the Navy; to the Committee on Naval Affairs.

By Mr. WHITE: A bill (H.R. 9006) to provide for the development of hydroelectric power at Cabinet Gorge on the Clark Fork of the Columbia River in the proximity of the Montana-Idaho State line and for the rehabilitation of irrigation districts, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. PALMISANO: A bill (H.R. 9007) to amend section 11 of the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. PIERCE: A bill (H.R. 9008) providing for a reimbursable loan to the Klamath and Modoc Tribe of Indians and the Yahooskin Band of Snake Indians, State of Oregon; to the Committee on Indian Affairs.

By Mr. DONDERO: A bill (H.R. 9009) to permit the making of loans under the Home Owners' Loan Act of 1933 on homes having a value not exceeding \$30,000, and for other purposes; to the Committee on Banking and Currency.

By Mr. GOLDSBOROUGH: A bill (H.R. 9010) to provide for a survey of the waters of the Chesapeake Bay and its tributaries with reference to depletion of the supply of certain fish; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. HILL of Alabama: A bill (H.R. 9011) to facilitate purchases of forest lands under the act approved March 1, 1911; to the Committee on Agriculture.

By Mr. BLAND: A bill (H.R. 9012) providing for preliminary examination and survey of waters connecting Cherrystone Channel with Cape Charles, Va., with a view to establishing a harbor of refuge at Cape Charles, Va., with a minimum depth of 10 feet; to the Committee on Rivers and Harbors.

By Mr. McFARLANE: A bill (H.R. 9013) to adjust the interest rate of loans secured by adjusted-service certificates; to the Committee on Ways and Means.

By Mr. COFFIN: A bill (H.R. 9014) for the relief of the owners of lots in the unflooded portion of the old town site at American Falls, Idaho; to the Committee on the Public Lands.

By Mr. BLAND: A bill (H.R. 9015) for the relief of persons engaged in the fishing industry; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. SUMNERS of Texas: A bill (H.R. 9016) to provide for the expeditious condemnation and taking of possession of land by officers, agencies, or corporations of the United States authorized to acquire real estate by condemnation in the name of or for the use of the United States for the construction of public works now or hereafter authorized by Congress; to the Committee on the Judiciary.

Also, a bill (H.R. 9017) providing for the appointment and meeting of the electors of President and Vice President, for the regulation of the counting of the votes for President and Vice President, for the Presidential succession, and for other purposes; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. GREEN: A bill (H.R. 9018) to promote resumption of industrial activity, increase employment, and restore confidence by fulfillment of the implied guaranty by the United States Government of deposit safety in national banks and State banks, to the Committee on Banking and Currency.

By Mr. DIRKSEN: Resolution (H.Res. 325) to create a select committee to conduct an investigation of the administration of the Home Owners' Loan Act of 1933 in the State of Illinois; to the Committee on Rules.

Also, a resolution (H.Res. 326) to provide for the expenses of House Resolution 325; to the Committee on Accounts.

By Mr. PARKER: Resolution (H.Res. 328) to create a select committee to investigate the manner in which the Crop Production Loan Act is being administered; to the Committee on Rules.

By Mr. LUCE: Joint Resolution (H.J.Res. 316) authorizing the erection of a memorial to J. J. Jusserand; to the Committee on the Library.

MEMORIALS

Under clause 3 of rule XXII,

By the SPEAKER: Memorial of the Legislature of the State of New Jersey, memorializing Congress to protect the people against lynch law and mob violence; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURCH: A bill (H.R. 9019) granting a pension to Keith B. Wilborn; to the Committee on Pensions.

Also, a bill (H.R. 9020) granting a pension to Ozro McKnight; to the Committee on Pensions.

Also, a bill (H.R. 9021) for the relief of the heirs of Reuben Ragland; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H.R. 9022) granting a pension to Mrs. Lou A. Strother; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9023) granting a pension to Jessie Adams; to the Committee on Pensions.

Also, a bill (H.R. 9024) granting a pension to Parish Graham; to the Committee on Pensions.

Also, a bill (H.R. 9025) granting a pension to Frank Raisle; to the Committee on Pensions.

By Mr. CHAVEZ: A bill (H.R. 9026) authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora Grant, N.Mex.; to the Committee on Claims.

By Mr. COLLINS of California: A bill (H.R. 9027) for the relief of Oscar J. Rosell; to the Committee on Military Affairs.

By Mr. FERNANDEZ: A bill (H.R. 9028) for the settlement of claim of the heirs of Richard H. Mahan and Eliza J. Mahan, his wife, formerly Eliza J. Nicholls, arising out of the confiscation of cotton during the Civil War, and for other purposes; to the Committee on Claims.

By Mr. JOHNSON of Texas: A bill (H.R. 9029) for the relief of J. Frank Williams; to the Committee on Claims.

By Mr. LARRABEE: A bill (H.R. 9030) granting a pension to Mary A. Hart; to the Committee on Invalid Pensions.

By Mr. McMILLAN: A bill (H.R. 9031) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.; to the Committee on Claims.

By Mr. OWEN: A bill (H.R. 9032) for the relief of Mary F. Crim; to the Committee on Claims.

Also, a bill (H.R. 9033) for the relief of Ralph W. Pennington; to the Committee on Claims.

By Mr. REECE: A bill (H.R. 9034) granting a pension to Herthe L. R. Whitney; to the Committee on Invalid Pensions.

By Mr. SCRUGHAM: A bill (H.R. 9035) for the relief of the Western Bands of the Shoshone Nation of Indians; to the Committee on Indian Affairs.

Also, a bill (H.R. 9036) for the relief of the Crystal Land Co.; to the Committee on Indian Affairs.

By Mr. VINSON of Georgia: A bill (H.R. 9037) for the relief of Abe Wolfe; to the Committee on Military Affairs.

By Mr. WOODRUM: A bill (H.R. 9038) for the relief of C. H. Beasley & Bro., Inc.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3667. By Mr. BLANCHARD: Petition of 286 residents of Rock County, Wis., in opposition to the so-called "sugar bill"; to the Committee on Agriculture.

3668. By Mr. BLOOM: Petition of New York Typographical Union No. 6, urging the immediate enactment of House bill 7598 into law; to the Committee on Labor.

3669. Also, petition of the Senate of the State of New York, urging Congress to enact such measures as will prohibit all public restaurants under its control and management from discriminating against patrons thereof because of race, creed, or color; to the Committee on the Judiciary.

3670. Also, petition of the Allied Printing Trades Council of Greater New York, representing the members of the 19 trades unions in New York City, urging that favorable consideration be given to the Connery 30-hour work bill; to the Committee on Labor.

3671. By Mr. BOYLAN: Petition signed by residents of New York City, asking an increase of broadcasting time for Station WLWL, New York City, and favoring Father Harney's amendment to section 301 of Senate bill 2910; to the Committee on Interstate and Foreign Commerce.

3672. Also, resolutions adopted at the monthly meeting of the New York Chapter Knights of Columbus, representing 40 individual councils in the Borough of Manhattan and Bronx, New York City, urging an increase of broadcasting time for Station WLWL, and favoring section 301 of Senate bill 2910; to the Committee on Interstate and Foreign Commerce.

3673. Also, letter from the Automobile and Vehicle Workers Local Union, No. 13065, New York City, favoring the Wagner bill and the 30-hour week; to the Committee on Labor.

3674. Also, resolution adopted by the Standard Statistics Chapel, protesting against inclusion in the Fletcher-Rayburn bill of all sections that will result in decreased volume of printing and consequent loss of employment to its members; to the Committee on Interstate and Foreign Commerce.

3675. By Mr. DONDERO: Petition of citizens of Detroit, Mich., and employees of the W. E. Hutton & Co., of that city, protesting against the drastic form of the stock-exchange regulation bill; to the Committee on Interstate and Foreign Commerce.

3676. By Mr. FITZPATRICK: Petition of the Mount Vernon Branch, N.A.A.C.P., advocating the passage of House

resolution introduced by Congressman OSCAR DE PRIEST; to the Committee on Rules.

3677. Also, petition of several hundred citizens of Bronx County, N.Y., favoring the discontinuing immediately, of the payless furlough of postal employees; to the Committee on the Post Office and Post Roads.

3678. By Mr. FORD: Resolution adopted by the Woman's Missionary Council of the Methodist Episcopal Church South, in recent session, urging passage of the Costigan-Wagner antilynching bill; to the Committee on the Judiciary.

3679. By Mr. GOLDSBOROUGH: Petition of G. D. Williams, Jr., and 1,710 other employees of financial institutions of the city of Baltimore, upon whom 3,044 are dependent, requesting such modification of the National Securities Exchange Act of 1934 as will assure the continuation of an orderly and well-regulated security business without involving the hardships which the act as now drawn will unquestionably precipitate; to the Committee on Interstate and Foreign Commerce.

3680. By Mr. GOODWIN: Petition of W. E. McQuade and others, employees of the New York Telephone Co., employed in Ulster and Greene Counties, N.Y., taking exception to paragraph 4, section 5, title I, of the Labor Disputes Act as proposed in the Wagner bill, believing it to be an infringement upon their rights to choose a form of organization for collective bargaining; to the Committee on Labor.

3681. By Mr. HOIDALE: Petition of Faribault County (Minn.) Farm Bureau Association; to the Committee on Agriculture.

3682. By Mr. LINDSAY: Petition of Associated Industries of Missouri, St. Louis, opposing the passage of the Wagner-Connery bills, Senate bill 2926 and House bill 8423; to the Committee on Labor.

3683. Also, petition of Cushman & Wakefield, Inc., New York City, opposing the Fletcher-Rayburn bill in its present form; to the Committee on Interstate and Foreign Commerce.

3684. Also, petition of National Automobile Chamber of Commerce, Washington, D.C., suggesting certain amendments to sections in the National Securities Exchange Act; to the Committee on Interstate and Foreign Commerce.

3685. Also, petition of the National Rural Letter Carriers Association, Washington, D.C., favoring support of House bill 8919; to the Committee on the Post Office and Post Roads.

3686. Also, petition of Richey, Browne & Donald, Inc., Maspeth, N.Y., opposing the passage of Senate bill 2616 and House bill 6759, the unemployment insurance bills; to the Committee on Ways and Means.

3687. Also, petition of the Brooklyn Chamber of Commerce, Brooklyn, N.Y., opposing Senate bill 2926 and House bill 8423, the Wagner-Connery bills; to the Committee on Labor.

3688. Also, petition of the Associated Highway Fence Builders, Buffalo, N.Y., favoring the Whittington bill for highway work; to the Committee on Roads.

3689. Also, petition of the Aerovox Corporation, Brooklyn, N.Y., opposing the Wagner bill; to the Committee on Labor.

3690. Also, petition of the Chamber of Commerce of the State of New York, New York City, opposing foreign trade zone in the port of New York, House bill 3657; to the Committee on Foreign Affairs.

3691. Also, petition of the Chamber of Commerce of the State of New York, New York City, favoring House bill 6038; to the Committee on Expenditures in the Executive Departments.

3692. Also, petition of the Chamber of Commerce of the State of New York, New York City, favoring modification of the Federal securities bill; to the Committee on Interstate and Foreign Commerce.

3693. Also, petition of the Chamber of Commerce of the State of New York, New York City, endorsing Senate bill 2841; to the Committee on the Judiciary.

3694. Also, petition of the National Retail Lumber Dealers Association, Washington, D.C., concerning home build-

ing through the aid of Federal financing for a temporary period; to the Committee on Banking and Currency.

3695. Also, petition of Chester S. Breining, New York City, opposing certain parts of the Fletcher-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3696. Also, petition of the Athenia Steel Co., New York City, urging modification of the Fletcher-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3697. Also, petition of Standard Statistics Chapel, New York City, protesting against the Fletcher-Rayburn bill in its present form; to the Committee on Interstate and Foreign Commerce.

3698. Also, petition of the New York State Association of Highway Engineers, Albany, N.Y., favoring increased appropriation for highway construction and maintenance; to the Committee on Banking and Currency.

3699. Also, petition of the Chamber of Commerce of the State of New York, New York City, favoring legislation to promote safety of life at sea; to the Committee on the Merchant Marine, Radio, and Fisheries.

3700. Also, petition of Brooklyn Eastern District Terminal, Brooklyn and Long Island City, N.Y., opposing the Wagner labor dispute bill, the unemployment insurance bill, and the stock-exchange regulation bill, and favoring Coordinator Eastman's proposed bill for the regulation of motor and water carriers; to the Committee on Labor.

3701. Also, petition of the American Agricultural Chemical Co., New York City, opposing the Wagner Labor Disputes Act (S. 2926 and H.R. 8423); to the Committee on Labor.

3702. Also, petition of the Commercial Credit Co., Baltimore, Md., opposing the Wagner, bonus, and stock-exchange bills; to the Committee on Labor.

3703. Also, petition of Bluff City Marine Engineers Beneficial Association, No. 20, Memphis, Tenn., favoring support of House bill 7979; to the Committee on the Merchant Marine, Radio, and Fisheries.

3704. Also, petition of Melville Shoe Corporation, New York City, concerning the national securities exchange bill; to the Committee on Interstate and Foreign Commerce.

3705. Also, petition of the Port Jefferson Chamber of Commerce, Inc., Port Jefferson, N.Y., providing for additional ice breakers to be assigned to Long Island Sound; to the Committee on Merchant Marine, Radio, and Fisheries.

3706. By Mr. O'CONNELL: Resolution of the General Assembly of the State of Rhode Island, expressing approval of the proposed tax of 5 percent per pound upon coconut and sesame oils; to the Committee on Ways and Means.

3707. Also, resolution of the General Assembly of the State of Rhode Island, recommending to Congress passage of a resolution expressing the hope that the German Reich will alter its policy toward its minority groups; to the Committee on Foreign Affairs.

3708. Also, resolution of the General Assembly of the State of Rhode Island, urging the President of the United States, as Commander in Chief of the armed forces, to order the training of naval recruits at the United States Naval Station at Newport, R.I.; to the Committee on Naval Affairs.

3709. Also, resolution of the General Assembly of the State of Rhode Island, requesting Congress to investigate, through a specially designated committee thereof, certain activities of the Administrator of Veterans' Affairs; to the Committee on World War Veterans' Legislation.

3710. By Mr. PERKINS: Petition of the Assembly of the State of New Jersey, memorializing the Congress of the United States to protect the people against lynch law and mob violence; to the Committee on the Judiciary.

3711. By Mr. RUDD: Petition of H. J. Baitinger, New York City, opposing the passage of the Wagner-Connery bills; to the Committee on Labor.

3712. Also, petition of Richey, Browne & Donald, New York City, opposing the passage of Senate bill 2616 and House bill 7659, unemployment insurance; to the Committee on Labor.

3713. Also, petition of Gleason-Tiebout Glass Co., Brooklyn, N.Y., opposing the passage of the Wagner-Lewis bills; to the Committee on Labor.

3714. Also, petition of the Athenia Steel Co., New York City, opposing the passage of the Fletcher-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3715. Also, petition of Chester G. Breining, 17 Battery Place, New York City, opposing the passage of the Fletcher-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3716. Also, petition of the National Retail Lumber Dealers' Association, favoring legislation to rehabilitate the home-building industry through the aid of Federal financing for a temporary period; to the Committee on Banking and Currency.

3717. Also, petition of the Chamber of Commerce of the State of New York, favoring the passage of Senate bill 2841, for Federal authority over crimes against banks; to the Committee on the Judiciary.

3718. Also, petition of the Chamber of Commerce of the State of New York, favoring recommendation on Federal Securities Act; to the Committee on Interstate and Foreign Commerce.

3719. Also, petition of the Chamber of Commerce of the State of New York, opposing the foreign trade zone in the Port of New York; to the Committee on Interstate and Foreign Commerce.

3720. Also, petition of the Chamber of Commerce of the State of New York, advocating modern Government cost accounting as contained in House bill 6038; to the Committee on Expenditures in the Executive Departments.

3721. Also, petition of the Standard Statistics Chapel, opposing the passage of the Fletcher-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3722. Also, petition of the New York State Association of Highway Engineers, favoring the passage of the Whittington bill appropriating additional moneys for the Public Works Administration; to the Committee on Roads.

3723. Also, petition of the Brooklyn Chamber of Commerce, Brooklyn, N.Y., opposing the passage of the Wagner-Connelly bills (S. 2926 and H.R. 8423); to the Committee on Labor.

3724. Also, petition of the Aerovox Corporation, Brooklyn, N.Y., opposing the passage of the Wagner bill; to the Committee on Labor.

3725. Also, petition of the Associated Highway Fence Builders of New York State, Buffalo, N.Y., favoring the passage of the Whittington bill; to the Committee on Roads.

3726. Also, petition of the American Agricultural Chemical Co., New York City, opposing the passage of the Wagner-Connelly bills; to the Committee on Labor.

3727. Also, petition of the Port Jefferson Chamber of Commerce, Inc., Port Jefferson, Long Island, N.Y., favoring the necessary appropriation for the building of additional new ice breakers to be assigned to Long Island Sound; to the Committee on Appropriations.

3728. By Mr. STRONG of Pennsylvania: Petition of citizens of Shelocta, Pa., and vicinity, opposing any legislation placing a tax on natural gas; to the Committee on Ways and Means.

3729. By the SPEAKER: Petition of J. H. Cyclone Davis and others; to the Committee on Ways and Means.

3730. Also, petition of W. P. Deppe; to the Committee on Patents.

3731. Also, petition of the Medical Round Table of Chicago, Ill.; to the Committee on Banking and Currency.

3732. Also, petition of the citizens of Scotland, La.; to the Committee on Ways and Means.

3733. Also, petition of the municipal government of Looc, Romblon, P.I.; to the Committee on Ways and Means.

3734. Also, petition of C. T. Salisbury and others; to the Committee on Interstate and Foreign Commerce.

3735. Also, petition of the employees of the Chicago & Great Northern Railway Co. in the State of Illinois; to the Committee on Interstate and Foreign Commerce.

3736. Also, petition of the National Live Stock Commission Co., Chicago, Ill.; to the Committee on Agriculture.

SENATE

TUESDAY, APRIL 10, 1934

(Legislative day of Wednesday, Mar. 28, 1934)

The Senate met at 12 o'clock m., on the expiration of the recess.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal for the calendar days of Thursday, April 5, Friday, April 6, and Monday, April 9, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2006. An act for the relief of Della D. Ledendecker; and S. 2857. An act to amend an act entitled "An act to incorporate the Mutual Fire Insurance Co. of the District of Columbia", as amended.

The message also announced that the House had passed the bill (S. 828) to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7906. An act to license race tracks in the District of Columbia and provide for their regulation;

H.R. 8281. An act to amend the act entitled "An act providing for the removal of snow and ice from the paved sidewalks of the District of Columbia";

H.R. 8519. An act to amend sections 5, 9, and 12 and repeal section 36 of the District of Columbia Alcoholic Beverage Control Act;

H.R. 8525. An act to amend the District of Columbia Alcoholic Beverage Control Act to permit the issuance of retailers' licenses of classes A and B in residential districts; and

H.R. 8854. An act to amend the District of Columbia Alcoholic Beverage Control Act by amending sections 11, 22, 23, and 24.

AMATEUR BOXING IN THE DISTRICT OF COLUMBIA

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 828) to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes, which were to strike out all after the enacting clause and to insert:

That (a) there is hereby created for the District of Columbia a boxing commission, to be composed of three members appointed by the Commissioners of the District of Columbia, one of whom shall be a member of the police department of the District of Columbia. No person shall be eligible for appointment to membership on the commission unless such person at the time of appointment is, and for at least 3 years prior thereto has been, a resident of the District of Columbia. The terms of office of the members of the commission first taking office after the approval of this act shall expire at the end of 2 years from the date of the approval of this act. A successor to a member of the commission shall be appointed in the same manner as the original members and shall have a term of office expiring 2 years from the date of the expiration of the term for which his predecessor was appointed, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The members of the commission shall receive no compensation for their services. The Commissioners of the District of Columbia shall furnish to the boxing commission such office space and clerical and other assistance as may be necessary.

(b) Subject to the approval of the Commissioners of the District of Columbia, the commission shall have power (1) to cooperate with organizations engaged in the promotion and control of amateur boxing; (2) to supervise and regulate boxing within the District of Columbia; and (3) to make such orders, rules, and regulations as the commission deems necessary for carrying out the powers herein conferred upon it.